

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-10

Urgent

Routine

CEO Concurs with Recommendation YES NO
(Information Attached)

AGENDA DATE May 18, 2010

4/5 Vote Required YES NO

SUBJECT:

Approval for the Chairman of the Board of Supervisors to Sign a Letter of Support of the Del Puerto Healthcare District's Low Interest Loan Application Request for Clinical Facilities Construction Funding to the United States Department of Agriculture (USDA)

STAFF RECOMMENDATIONS:

Approve the Chairman to Sign a Letter of Support of the Del Puerto Healthcare District's Low Interest Loan Application Request for Clinical Facilities Construction Funding to the United States Department of Agriculture (USDA).

FISCAL IMPACT:

The Del Puerto Healthcare District has made a formal application for loan funding to the United States Department of Agriculture for assistance with expanding their Del Puerto Healthcare Clinical System. The District has been working toward expansion of health care services to the Westside of Stanislaus County and facilities expansion into the Patterson Keystone Pacific Business Park for some time. There is no fiscal impact to the County associated with this request for project support.

BOARD ACTION AS FOLLOWS:

No. 2010-300

On motion of Supervisor Chiesa, Seconded by Supervisor Monteith
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval for the Chairman of the Board of Supervisors to Sign a Letter of Support of the Del Puerto Healthcare District's Low Interest Loan Application Request for Clinical Facilities Construction Funding to the United States Department of Agriculture (USDA)

DISCUSSION:

Del Puerto Health Care District, a public entity, serving western Stanislaus County for over sixty years, created a strategic plan in 2002/2003 to expand health care access for this rural underserved area. The District is in the process of obtaining financing to expand its rural health center and adding additional physicians and ancillary services.

The District is currently in the process of purchasing a building to house these important services; thereby creating a community asset and much needed expansion of services.

The total building purchase cost is approximately \$1,813,944 and building related improvements are estimated to total approximately \$1,556,975. Total project cost \$3,370,919.

The District has recently applied to the United States Department of Agriculture (USDA) for loan assistance to fund the building purchase component. In addition, Tri Counties Bank has agreed to loan the funding for necessary tenant improvements associated with converting what is now a shell infrastructure into a full functioning clinical environment. The District has prepared a feasibility study which represents the District's ability to repay these loans from existing District operational revenue. The District has committed \$400,000.00 as loan security and plans to invest approximately \$120,000 in additional capital improvements from their existing operational reserve.

The project is anticipated to be completed in spring of 2011. While completing the USDA loan package, it was requested of the District to provide letters of support for the project from supportive jurisdictions and partners within the community.

POLICY ISSUES:

Securing a low interest loan funding source for facilities construction and program expansion through partnership with the United States Department of Agriculture will greatly assist the Healthcare District with serving the healthcare needs of citizens in the communities of Patterson, Newman and the entire West Side of Stanislaus County. This action supports the Board Priority of Effective Partnerships, a Strong Local Economy, the Efficient Delivery of Public Services and a Safe Community.

STAFFING ISSUES:

There is no staffing impact associated with this item.

Attachment: Letter of Support: Del Puerto Healthcare District USDA Grant Application 2010

CONTACT PERSON: Keith Boggs, Deputy Executive Officer. Telephone: (209) 652-1514



BOARD OF SUPERVISORS

**William O'Brien, 1st District
Vito Chiesa, 2nd District
Jeff Grover, 3rd District
Dick Monteith, 4th District
Jim DeMartini, 5th District**

1010 10th Street, Suite 6500, Modesto, CA 95354
Phone: 209.525.4494 Fax: 209.525.4410

May 19, 2010

Jose Guardado
United States Department of Agriculture
2135 Wardrobe Avenue, Suite A
Merced, CA 95340

Dear Mr. Guardado:

On behalf of the Stanislaus County Board of Supervisors please accept this correspondence as formal support for the Del Puerto Health Care District expansion request currently under consideration by your agency.

The Del Puerto Healthcare District continues to work tirelessly toward expanding needed access to quality medical care for the communities of western Stanislaus County.

The creation of a medical center for this rural district that will include ancillary care services for all providers in Patterson and surrounding West Side communities is a critical component to the future well being, growth and sustained quality of life for our residents.

As the West Side continues to grow, healthcare access and services will also need to grow to keep pace with changing service needs. The Health Care District's plan to incrementally expand thoroughly supports our community building efforts as well as the mission of the West Side Healthcare Advisory. Each of us wish to ensure that all residents of this rural, underserved community have local access to basic, specialty and ancillary care without being forced to drive long distances or, when faced with the isolation born from no transportation, receive no care at all.

We commend the USDA for its willingness to assist with this important community project.

Cordially,

Jeff Grover, Chairman
Stanislaus County Board of Supervisors