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

DEPT: Chief Executive Office

BOARD AGENDA: 6.2
AGENDA DATE: November 3, 2026

SUBJECT:
Public Hearing Pursuant to the Tax and Equity Fiscal Responsibility Act (TEFRA) Regarding the Proposed Issuance of Tax-Exempt Obligations by the California Municipal Finance Authority, in an Amount Not to exceed $26 Million, for Use by Lumira Healthcare, a California Nonprofit Public Benefit Corporation

BOARD ACTION AS FOLLOWS: **RESOLUTION NO. 2026-0591**

On motion of Supervisor C. Condit **Seconded by Supervisor** Grewal
and approved by the following vote,
Ayes: Supervisors: B. Condit, Withrow, Grewal, C. Condit, and Chairman Chiesa
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

1) X **Approved as recommended**
2) _____ **Denied**
3) _____ **Approved as amended**
4) _____ **Other:**

MOTION:

Mary E. Hartsfield

ATTEST: **MARY E. HARTSFIELD, Clerk of the Board of Supervisors**

File No.

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM

DEPT: Chief Executive Office

BOARD AGENDA:6.2
AGENDA DATE: November 3, 2026

CONSENT ☐

CEO CONCURRENCE: YES

4/5 Vote Required: NO

SUBJECT:

Public Hearing Pursuant to the Tax and Equity Fiscal Responsibility Act (TEFRA) Regarding the Proposed Issuance of Tax-Exempt Obligations by the California Municipal Finance Authority, in an Amount Not to exceed $26 Million, for Use by Lumira Healthcare, a California Nonprofit Public Benefit Corporation

STAFF RECOMMENDATION:

1. Conduct the scheduled Public Hearing on November 3, 2026, to receive public comment, under the requirements of the Tax and Equity Fiscal Responsibility Act (TEFRA) and the Internal Revenue Code of 1986, in connection with the proposed issuance tax-exempt bonds by the California Municipal Finance Authority (CMFA), a Joint Exercise of Powers Authority (JPA) and public entity of the State of California.
2. Adopt the attached resolution to approve the issuance of tax-exempt bonds by the CMFA, not to exceed $26 million, for the benefit of Lumira Healthcare, a California nonprofit public benefit corporation to provide for the financing of the capital projects located at 2116 East Orangeburg Avenue, Modesto; 1444 Florida Avenue, Modesto; a parking lot located at 115 Claradell Avenue, Modesto; and 1830 Mitchell Road, Ceres.

DISCUSSION:

On March 1, 2016, the Board of Supervisors authorized the Chairman of the Board of Supervisors to sign and execute a Joint Exercise of Powers Agreement (JPA Agreement) relating to the California Municipal Finance Authority (CMFA). The JPA Agreement provides that CMFA is a public entity, separate and apart from each member executing the agreement. The debts, liabilities, and obligations of the CMFA do not constitute debts, liabilities or obligations of the members executing such an agreement.

Lumira Healthcare, a California nonprofit public benefit corporation (Borrower), has submitted a request to the CMFA for the issuance of tax-exempt facility bonds in an amount not to exceed $26 million (Obligations). The proceeds from the Obligations will be loaned to the Borrower through one or more loan agreements administered by CMFA and used to finance and refinance a portion of the costs of acquiring, renovating, and equipping certain health care facilities.

Project Details

a) Refinance certain loan agreements dated as of May 29, 2024, by and between the Borrower and Farmers and Merchants Bank of Central California, a California banking corporation, the proceeds of which were used to finance the acquisition of property owned by the Borrower located at 2116 East Orangeburg Avenue, Modesto, California 95355 and reimburse expenditures for the renovation, equipping, and build-out of such property ($3,635,600);

b) Finance the acquisition of a health care facility located at 1444 Florida Avenue, Modesto, California 95350, and a parking lot located at 115 Claradell Avenue, Modesto, California 95350 to be owned and operated by the Borrower ($5,728,800); and

c) Finance the acquisition, renovation, and equipping of a property located at 1830 Mitchell Road, Ceres, California 95307, which will be owned and operated by the Borrower as a health center ($13,771,200) (collectively, Projects).

County Role and TEFRA Requirements

Tax-exempt financing of qualified 501(c)(3) bonds will be issued pursuant to Section 145 of the Internal Revenue Code of 1986. Under Section 147(f) of the Code, both the issuer of the bonds, CMFA, and the local government unit with jurisdiction over the projects, Stanislaus County, must approve the issuance.

As the host jurisdiction, Stanislaus County's participation is strictly ministerial and includes:

- Holding a TEFRA public hearing
- Adopting a Resolution Approving the Issuance of the Obligations

No further action or financial involvement by Stanislaus County is required. The repayment of the Obligations is solely the responsibility of the Borrower.

Public Hearing and Timeline

On October 20, 2026, the Board of Supervisors authorized a public hearing in compliance with TEFRA to be scheduled for November 3, 2026. Legal notice of the hearing was published in the local newspaper, The Modesto Bee, on October 23, 2026, in accordance with Internal Revenue Code requirements and at least seven days prior to the scheduled public hearing.

POLICY ISSUE:

The Board of Supervisors is asked to conduct the Public Hearing under the requirements of the TEFRA and the Internal Revenue Code of 1986, as amended. The Board of Supervisors is further asked to approve the issuance of bonds or the execution of a loan transaction by the CMFA, in an amount not to exceed $26 million, for the benefit of the Borrower for the purpose of financing and refinancing a portion of the costs of the acquisition, renovation, and equipping of certain health care facilities to be owned and operated by the Borrower.

FISCAL IMPACT:

The associated actions will have no financial impact to Stanislaus County. The Obligations are to be issued by CMFA as 501(c)(3) bonds for the benefit of Borrower. The County will have no obligation, liability, or responsibility for the project or the repayment of the Obligations. All financing documents related to the issuance will include clear disclaimers stating that the Obligations are not obligations of Stanislaus County or the State of California.

Administrative costs of staff time and publication costs associated with processing the Borrower's request to hold the public hearing will be recovered from CMFA through a sharing of the issuance fee with the County when the bonds close.

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board of Supervisors' priority of *Delivering Efficient Public Services* & *Community Infrastructure* by supporting the request for a TEFRA Public Hearing received from Borrower in accordance with Internal Revenue Code of 1986.

STAFFING IMPACT:

Existing staff of the Office of the Clerk of the Board of Supervisors, Chief Executive Office, and County Counsel have and will assist in providing necessary support for the TEFRA hearing. There are no other staffing impacts associated with this item.

CONTACT PERSON:

Angelica Ramos, Chief Financial Officer	(209) 525-6333
Tina Rocha, Assistant Executive Officer	(209) 525-6333

ATTACHMENT(S):

1. Resolution

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

2026-0591

Date: November 3, 2026

On motion of Supervisor C. Condit Seconded by Supervisor Grewal
and approved by the following vote,
Ayes: Supervisors: B. Condit, Withrow, Grewal, C. Condit, and Chairman Chiesa
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Recused: Supervisor: None

Item # 6.2

THE FOLLOWING RESOLUTION WAS ADOPTED:

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS AUTHORIZING AND APPROVING THE FINANCING TO BE UNDERTAKEN BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE BENEFIT OF LUMIRA HEALTHCARE IN AN AGGREGATE AMOUNT NOT TO EXCEED $26,000,000 FOR THE PURPOSE OF FINANCING AND REFINANCING A PORTION OF THE COSTS OF THE ACQUISITION, RENOVATION, AND EQUIPPING OF CERTAIN HEALTH CARE FACILITIES IN THE COUNTY OF STANISLAUS, CALIFORNIA, AND CERTAIN OTHER MATTERS RELATING THERETO.

RESOLVED, by the Board of Supervisors (the "Board") of the County of Stanislaus (the "County"):

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), certain public agencies (the "Members") have entered into a Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement") in order to form the California Municipal Finance Authority (the "Authority"), for the purpose of promoting economic, cultural and community development, and in order to exercise any powers common to the Members, including the issuance of bonds, notes or other evidences of indebtedness;

WHEREAS, the County is a Member of the Authority in order to facilitate the promotion of economic, cultural and community development activities in the County, including the financing of projects therefor by the Authority; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the construction of capital projects;

WHEREAS, Section 4 of the Agreement requires the approval of the governing body of a Member for the issuance of bonds by the Authority with respect to any project located in the jurisdiction of such Member; and

WHEREAS, Lumira Healthcare, a California nonprofit public benefit corporation, as described in

section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Corporation"), has requested that the Authority issue and sell revenue bonds in the maximum principal amount of $26,000,000 (the "Bonds") for the purpose of making a loan to the Corporation, to:

(a) Refinance certain Loan Agreements dated as of May 29, 2024, by and between the Corporation and Farmers and Merchants Bank of Central California, a California banking corporation, the proceeds of which were used to finance the acquisition of property owned by the Corporation located at 2116 East Orangeburg Avenue, Modesto, California 95355 and reimburse expenditures for the renovation, equipping, and build-out of such property ($3,635,600);

(b) Finance the acquisition of a health care facility located at 1444 Florida Avenue, Modesto, California 95350, and a parking lot located at 115 Claradell Avenue, Modesto, California 95350 to be owned and operated by the Corporation ($5,728,800); and

(c) Finance the acquisition, renovation, and equipping of a property located at 1830 Mitchell Road, Ceres, California 95307, which will be owned and operated by the Corporation as a health center ($13,771,200) (collectively, the "Project");

WHEREAS, the Project will be owned and operated by the Corporation;

WHEREAS, the Bonds will be issued as "qualified 501(c)(3)" bonds pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, pursuant to section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by the "applicable elected representative" required to approve the issuance of Bonds under Section 147(f) of the Code;

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of section 147(f) of the Code and the requirements of Section 4 of the Agreement;

WHEREAS, the Project is located within the territorial limits of the County;

WHEREAS, the Board is the elected legislative body of the County and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under Section 147(f) of the Code;

WHEREAS, pursuant to section 147(f) of the Code, following notice duly given a public hearing regarding the issuance of the Bonds was held and the Board now desires to approve the issuance of the Bonds by the Authority;

WHEREAS, notice of such public hearing has been duly given as required by the Code, and such public hearing has been held at which all interested persons were given an opportunity to be heard on all matters relative to the financing of the Project and the Authority's issuance of the Bonds therefor; and

WHEREAS, it is in the public interest and for the public benefit that the Board approve the issuance of the Bonds by the Authority for the aforesaid purposes;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Stanislaus as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The Board hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitutes approval of the issuance of the Bonds (a) by the "applicable elected representative" of the governmental unit having jurisdiction over the area in which the Corporation's facilities are located in accordance with section 147(f) of the Code and (b) by the Board in accordance with Section 4 of the Agreement.

Section 3. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The County shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 4. The adoption of this Resolution shall not obligate the County or any department thereof to (i) provide any financing for the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

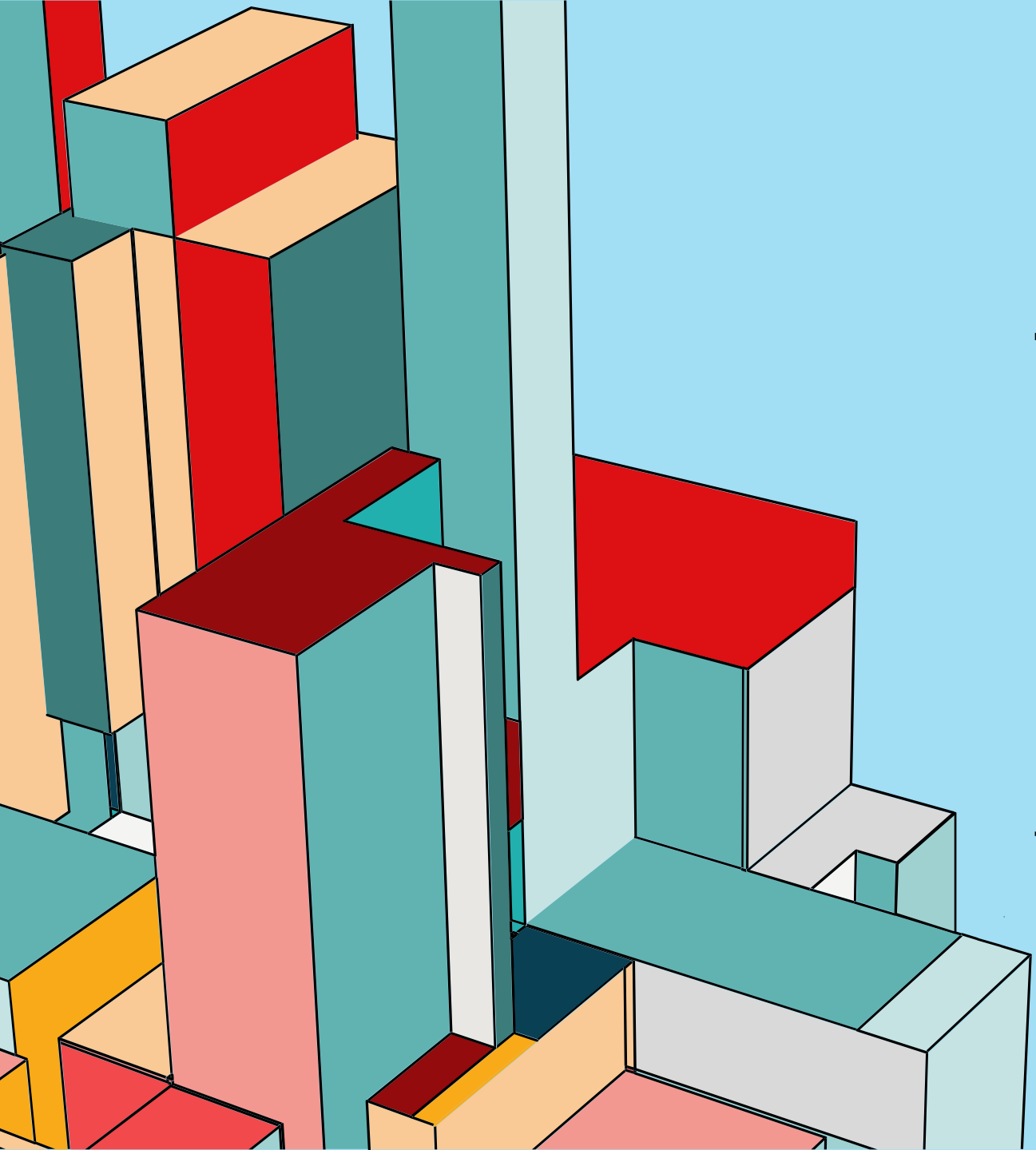
Section 5. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem

necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 6. This resolution shall take effect immediately upon its adoption.

ATTEST: **MARY E. HARTSFIELD, Clerk**
Stanislaus County Board of Supervisors,
State of California

File No.



PUBLIC HEARING PURSUANT TO THE TAX AND EQUITY FISCAL RESPONSIBILITY ACT (TEFRA)

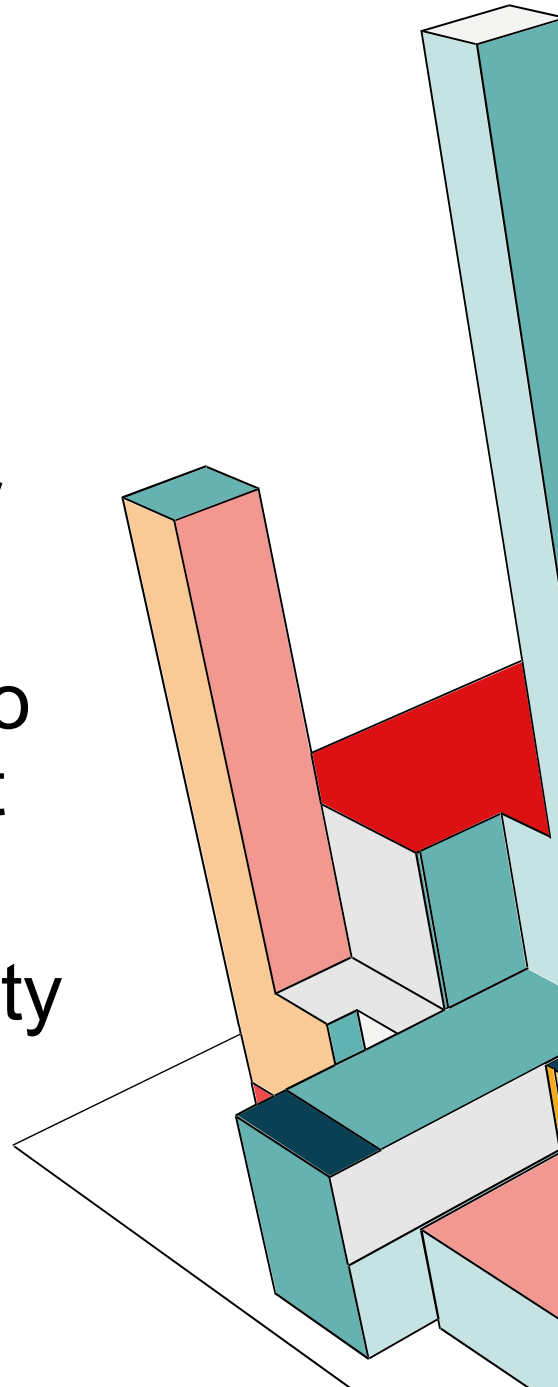
Lumira Healthcare

November 3, 2026

Tina Rocha, Assistant Executive Officer

PUBLIC HEARING

- Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and Internal Revenue Code Section 147(f) require a Public Hearing to be held when tax-exempt bonds are issued by a conduit issuer on behalf of a private party
- Public Hearing allows the public an opportunity to comment on the proposed use of the tax-exempt financing and the public benefit of the project
- Stanislaus County bears no financial responsibility for the bonds



PROJECT OVERVIEW

Lumira Healthcare, a California nonprofit public benefit corporation (Borrower)

California Municipal Financing Authority
(Issuer of tax-exempt revenue bonds)

Amount not to exceed $26 million (Obligations)

Financing will fund the acquisition and development of a health care facilities

WHAT IS THE CALIFORNIA MUNICIPAL FINANCING AUTHORITY?

- The California Municipal Finance Authority (CMFA) is a joint powers authority formed to assist local governments, non-profit organizations, and businesses with the issuance of both taxable and tax-exempt debt.
- The CMFA assists with the issuance of taxable and tax-exempt bonds aimed at improving the standard of living in California.
- The CMFA's representatives and its Board of Directors have considerable experience in bond financings.

PROJECT DETAILS

2116 East Orangeburg Avenue, Modesto ($3,635,000)

Refinanced loan agreements and use the proceeds to finance the acquisition of property and reimburse expenditures for the renovation, equipping, and build-out

1444 Florida Avenue and 115 Claradell Avenue ($5,728,000)

Finance the acquisition of a health care facility and a parking lot

1830 Mitchell Road, Ceres ($13,711,200)

Finance the acquisition, renovation, and equipping of the property which will be owned and operated as a health center

FISCAL IMPACT

The County will have no obligation, liability, or responsibility for the project or the repayment of the Obligations

The Obligations are to be issued by CMFA as 501(c)(3) bonds for the benefit of Lumira Healthcare, a California nonprofit public benefit corporation

The County's sole role is to:	
Conduct the TEFRA Public Hearing	Certify the public benefit of the project

STAFF RECOMMENDATION

1. Conduct the scheduled Public Hearing on November 3, 2026, to receive public comment, under the requirements of the Tax and Equity Fiscal Responsibility Act (TEFRA) and the Internal Revenue Code of 1986, in connection with the proposed issuance tax-exempt bonds by the California Municipal Finance Authority, a Joint Exercise of Powers Authority and public entity of the State of California.
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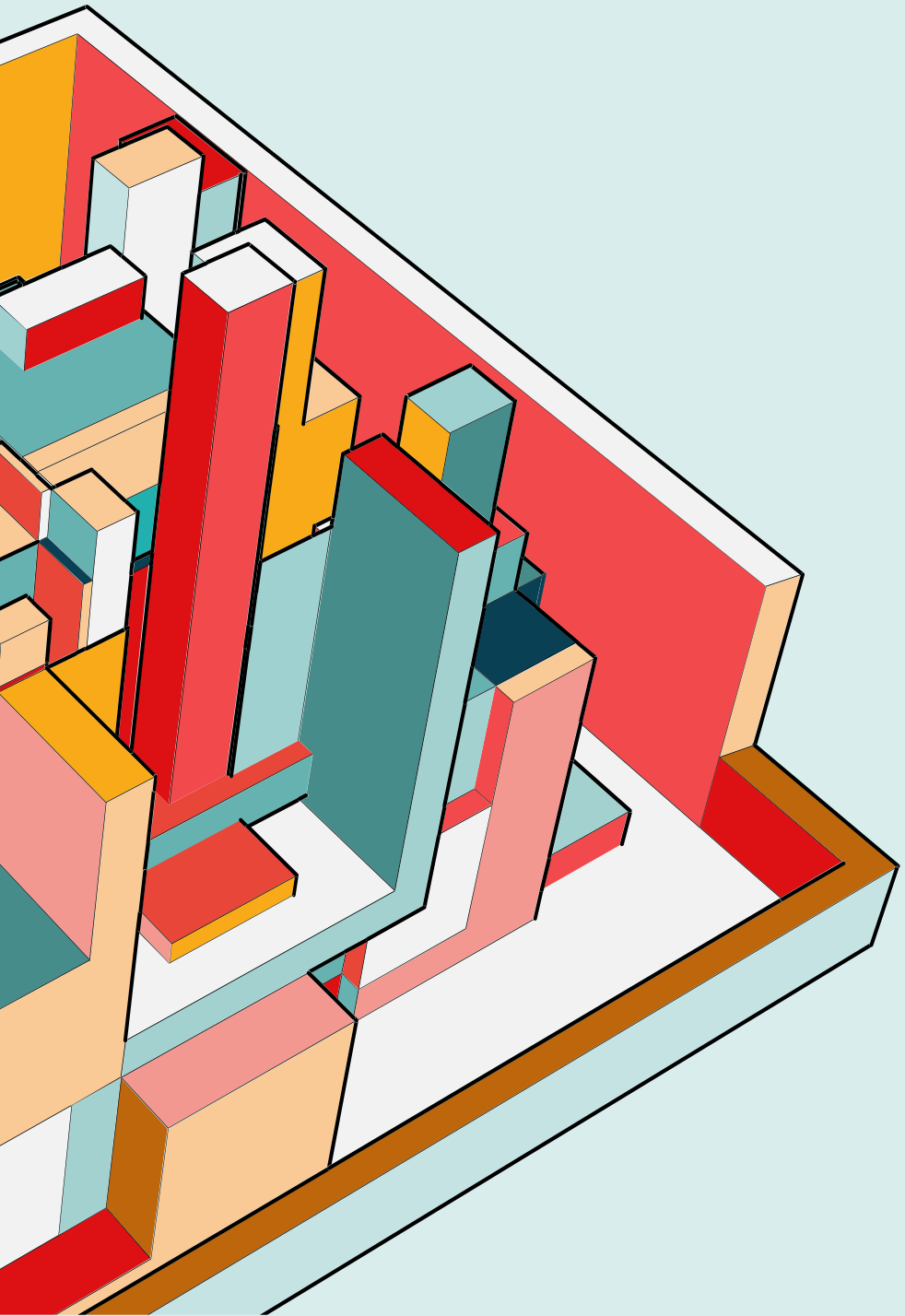

THANK YOU!