

COMMUNITY HEALTH CENTER CAPITAL FUND

Boston, MA



OVERVIEW

Community Health Center Capital Fund (Capital Fund) supports the growth and development of community-based health centers serving low-income and uninsured individuals by providing the capital needed to expand and improve their services.

Capital Fund was established in the early 1990s by the Massachusetts League of Community Health Centers and Neighborhood Health Plan to facilitate improved access to capital for Massachusetts health centers. Today, as a certified CDFI and the lending arm of Capital Link, a national training and technical assistance resource for health centers seeking capital financing, Capital Fund offers targeted direct loans to support the growth of health centers nationally. Through its Direct Loan Program, Capital Fund provides affordable, flexible loans to Federally Qualified Health Centers (FQHCs) and similar organizations to support their capital financing, equipment and operational growth needs.

Capital Fund offers direct loans for facility and equipment projects, and New Markets Tax Credit financing for eligible health center projects. It also develops and manages health center loan programs, provides underwriting services, and participates in health center-controlled LLC as necessary for tax transactions. Generally, Capital Fund seeks to use funds to leverage multiple sources of capital, thereby filling “funding gaps” in a center’s capital financing plan. Loans are available for construction, renovation, and expansion of health center facilities and related equipment costs; bridge loans and strategic growth loans are also available. Recognizing that each health center has unique needs, Capital Fund endeavors to meet those needs on an individualized basis.

SAN YSIDRO HEALTH

When San Ysidro Health (SYH) was established along the U.S./Mexican border in 1969, its founders—a grassroots group of seven concerned mothers—simply wanted access to medical care for their children. Today, providing care through 50 program sites across San Diego County, with the help of CDFIs such as Capital Fund, SYH continues to expand its reach—most notably, recently growing its much-needed support program for its majority bilingual elderly community. In September 2022, Capital Fund provided SYH with \$2 million in financing to support its \$52.9 million health center project, which included the first PACE (Program of All-Inclusive Care for the Elderly) facility in the city. This program, which can drastically improve aging patients’ quality of life, ultimately reduces barriers to mobility and health care that could mean the difference between life and death.

With their new expansion project, SYH aims to create 115 permanent jobs at the new site, enabling them to round out the workforce necessary to meet its service area’s unique and diverse demands. The new site is projected to serve over 14,000 patients and generate over 41,000 clinic visits in its first year. Eighty seniors are expected to enroll in PACE the first year with full enrollment totaling 650 seniors by 2030. Overall, SYH anticipates they will serve over 61,000 additional patients and generate almost 500,000 additional clinic visits while creating over 2,100 new FTEs across all sites.

By 2030, thanks to this project and to Capital Fund’s commitment to supporting community health centers such as SYH, 650 elderly residents in National City will be able to receive PACE services, changing the course of their lives for the better.

THREE-YEAR IMPACT

- ▶ \$18.3 million in loans
- ▶ 8 community facilities financed
- ▶ Jobs created via financing: 2,656 health center FTEs and 645 FTEs due to construction
- ▶ 243,383 sq. ft. of commercial real estate

Green Financing Example:

- ▶ Entered into a partnership with two other partners to expand the use and ownership of solar power systems by community health centers