MCHCD

MENDOCINO COAST HEALTH CARE DISTRICT

MCHCD provides a hospital and fosters leadership, advocacy and collaboration for our community health and well-being.

FOR IMMEDIATE RELEASE

Fort Bragg Ca. November 24, 2026

MCHCD Board Approves Financing Plan for Seismic Retrofit of the Mendocino Coast Hospital

On November 19, 2026, the Mendocino Coast Health Care District Board of Directors approved the Certificates of Participation financing plan for the Coast Hospital's seismic improvements project, authorizing a financing structure of up to $20 million to fund construction costs through periodic draws as construction work progresses. Under consideration for the past year, the board's financing plan also incorporated important financial, legal, and professional safeguards.

In addition, the Board adopted Resolution 2026-5, establishing Debt Management Policy 22 , which establishes standards for the purposes, authorization, administration, and oversight of District debt, including internal controls and continuing disclosure responsibilities.

The District engaged Wulff-Hansen & Co and Hilltop Securities Inc as Financial Consultants, and Jones-Hall LLP as independent Bond Counsel to provide guidance and legal oversight of the financing documents and transaction.

The approved financing structure enables the District to complete required seismic upgrades to the Coast Hospital prior to the State of California's mandatory **January 1, 2030** deadline without placing an additional tax burden on local property owners. By allowing capital to be drawn incrementally as construction progresses, the District maintains essential fiscal flexibility to address unforeseen contingencies while preserving long-term financial stability.

The major construction phases are NPC-4 nonstructural bracing and NPC-5 utility improvements that will provide seismic protection for the hospital's essential infrastructure, including water and other critical utility systems; and SPC-4D structural improvements will subsequently address the building's structural compliance requirements. The previously identified peak construction period is FY 2027–28, when NPC-4 and NPC-5 work is expected to overlap, followed by structural retrofit work. Adventist Health will manage the construction project to minimize any impacts to patients.

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The District Board acted within its statutory authority as a California health care district to protect the Mendocino Coast hospital facility and fulfill its public responsibilities. As the public owner of the Fort Bragg facility, which is leased to Adventist Health through June 30, 2050, the District remains committed to meeting its property ownership obligations and preserving essential public health infrastructure for the residents and visitors of the Mendocino Coast.

Completion of these critical seismic upgrades will bring the facility into compliance with state mandates, protect its operating license, and support the continued delivery of healthcare services to the community. This undertaking serves an important public purpose: safeguarding the long-term viability of Adventist Health Mendocino Coast Hospital as both a vital healthcare resource and an economic anchor for the coastal region.

More information about the district at: http://mendocinochcd.gov/

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