

**HRSA
Health Center
Facility Loan
Guarantee
Program (LGP)**

**Insights from the
Small Group
Training
Participants**

**Experiences, Decision-
Making, and Opportunities
for Program Enhancement**



EXECUTIVE SUMMARY

The HRSA Health Center Facility Loan Guarantee Program (LGP) helps health centers access affordable financing for facility development and expansion by reducing lender risk through federal loan guarantees. This brief presents key insights from a follow-up focus group with participants in the HRSA Loan Guarantee Program (LGP) Small Group Training on financing health center capital projects, conducted on February 5, 2026. The discussion explored how the training influenced planning, decision-making, and project advancement.

Participants consistently described the training as highly valuable in strengthening early-stage planning, improving understanding of financing options, and supporting more strategic, informed decision-making. A central takeaway was the importance of aligning financing strategies, such as loan guarantees and New Markets Tax Credits, with comprehensive planning and operational considerations.



At the same time, participants identified ongoing challenges, including limited internal capacity, early-stage project readiness, the complexity of financing tools, and uncertainty around funding sources. These findings highlight clear opportunities to expand early-stage support, enhance technical assistance, and strengthen guidance for navigating complex capital development pathways.

INTRODUCTION

The HRSA Health Center Facility Loan Guarantee Program (LGP) is designed to improve access to affordable capital for health centers undertaking facility development and expansion projects. Through this program, HRSA provides a guarantee to lenders, reducing financial risk and enabling health centers to secure more favorable financing terms. By enhancing access to capital, the program helps health centers expand capacity, modernize infrastructure, and better meet the needs of underserved communities.

To support health centers in effectively utilizing the LGP, Capital Link offered a four-session Small Group Training series held between November 19 and December 17, 2025. The training was designed to prepare participants to successfully navigate the LGP process, including eligibility requirements, application development, lender engagement, and loan finalization.

This report presents findings from a follow-up focus group of training participants, conducted on February 5, 2026. Insights gathered reflect participant experiences applying training concepts in practice and identify key opportunities to strengthen training delivery, technical assistance, and support for health center capital development.

PARTICIPANT CONTEXT

Small group training participants represented health centers from diverse geographic regions across the United States, reflecting a broad range of operating environments and community needs. Participants included both small, early-stage organizations and large, multi-site systems, offering perspectives across the full spectrum of capital project experience and readiness.

Projects discussed during the focus group reflected this range, including facility redevelopment, multi-partner expansions, and integrated models combining clinical services with housing and community partnerships. This diversity underscored a shared need for structured planning, clearer financing pathways, and sustained technical support.

KEY INSIGHTS

1. Training Strengthens Planning and Strategic Alignment

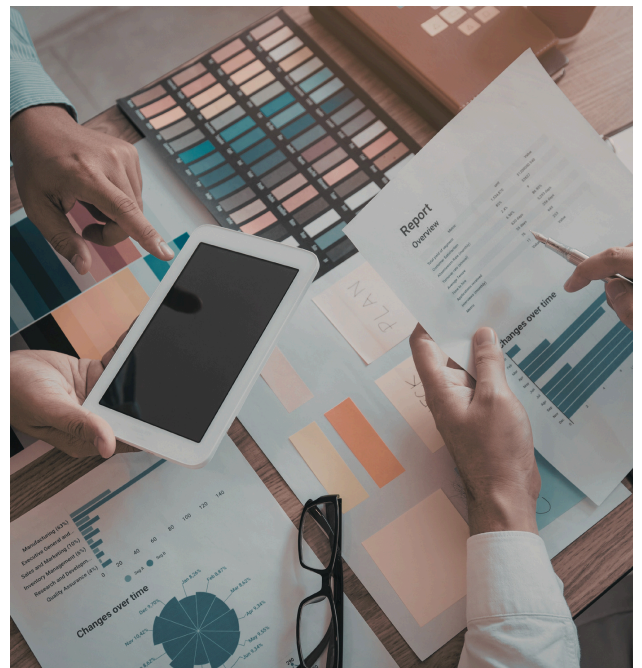
Participants identified planning-focused content as the most valuable aspect of the training. Market assessment, scenario planning, and project sequencing helped shift organizations away from reactive, funding-driven decisions toward more proactive, strategy-driven approaches.

The training also improved awareness of financing tools and reinforced the importance of integrating planning, operations, and financing into a cohesive development strategy. Participants emphasized that this holistic perspective is critical to long-term project success.

2. Early Influence on Decision-Making

While many organizations remain in early stages, the training is already shaping key decisions. Participants reported reassessing project feasibility, refining timelines, exploring new financing strategies, and engaging leadership in more structured planning discussions.

In several cases, organizations chose to delay or adjust projects after identifying gaps in readiness—demonstrating a more disciplined and informed approach to capital development.



3. Momentum Toward Structured Planning

All participants described taking concrete steps following the training, including initiating formal planning processes, beginning feasibility discussions, and exploring partnerships. Many also sought external expertise to support financial modeling and project development.

This shift reflects a broader transition from informal or opportunistic approaches to more intentional, structured planning processes.

KEY INSIGHTS

4. Persistent Gap: Planning Before Funding

A consistent theme was the need to prioritize planning before pursuing financing. Participants noted that projects are often initiated in response to funding opportunities, with planning occurring later—leading to inefficiencies, redesign costs, and operational challenges.

Key areas frequently underdeveloped early in the process include space and workflow design, operational efficiency, technology needs, and alignment with community demand. Participants emphasized that addressing these elements upfront leads to stronger, more sustainable projects.

5. Barriers to Advancement

Several challenges continue to limit progress. Limited internal capacity—particularly the absence of dedicated planning or project management resources—was a common constraint. Financial uncertainty, including complex funding requirements and unpredictable timelines, further complicates project development.

Additionally, many organizations lack experience with feasibility analysis and struggle to navigate complex financing tools, such as New Markets Tax Credits, which require advanced preparation and specialized expertise.



6. Technical Assistance as Essential Infrastructure

Participants emphasized that technical assistance is not optional—it is essential to successful capital development. External partners play a critical role in guiding planning processes, translating financing concepts, providing data insights, and coordinating stakeholders.

There was strong demand for continued support beyond initial training, including one-on-one advisory services, planning grants, and access to benchmarking data. Participants also highlighted the importance of aligning project readiness with financing opportunities to improve competitiveness.

KEY OPPORTUNITIES TO STRENGTHEN CAPITAL PROJECT SUPPORT FOR HEALTH CENTERS



Findings point to several opportunities to strengthen support for health centers pursuing capital projects. Expanding early-stage planning support, through planning grants and structured pre-development training and activities, would help organizations build a stronger foundation before seeking financing.

Enhancing access to practical tools, such as space planning guides, financial modeling resources, and project readiness frameworks, would further support informed decision-making. Participants also indicated a need for sustained, individualized technical assistance throughout the project lifecycle.

Clearer guidance on financing pathways, including sequencing funding sources and providing real-world examples, would improve navigation of complex programs. Finally, expanding access to data and benchmarking tools would enable more rigorous feasibility analysis and data-driven planning.



CONCLUSION

The HRSA LGP Small Group Training is effectively building foundational knowledge and supporting health centers in initiating capital project planning. Participants value the balance of strategic insight and practical guidance and are actively applying these lessons to real-world projects.



The findings reinforce that successful capital development depends on more than access to financing. Early-stage planning, sustained technical assistance, and coordinated resource alignment are critical to moving projects forward. Strengthening these areas will better position health centers to implement capital projects that expand access to care and meet evolving community needs.

Appendix: Participant Feedback Snapshot

Participant feedback confirmed strong satisfaction with the training's balance of strategic and practical content. All respondents reported initiating planning activities following participation, and early indicators suggest meaningful influence on decision-making, particularly in pre-development phases.

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