

HEALTH CENTER STORIES

Hill Country Health and Wellness, Redding, CA

This summary describes the [Hill Country Health and Wellness Community Clinic](#) (Hill Country) expansion efforts in Redding, CA, highlighting the planning, financing, and community impact of an estimated \$24 million health center capital project.

About Hill Country

In Shasta County, CA, Hill Country offers more than just affordable health services. Its inclusive care model provides patients—many of whom are homeless—with the tools to build and maintain a healthier life. In addition to Shasta County's rate of homelessness being higher than the rest of California's, 61% of their homeless population have a mental illness compared to 26% statewide and 20% nationally. As a Federally Qualified Health Center, Hill Country offers outpatient medical, dental, mental health, intensive case management, and wellness services to all, regardless of circumstances or ability to pay.

When Hill Country opened in 1985 in Round Mountain, CA, their staff of a doctor, a nurse practitioner, an R.N., and three other employees all worked without pay. From humble beginnings raising funds through ravioli dinners, walk-a-thons, and in-kind donations, Hill Country slowly grew into a sustainable care center. Even a forest fire could not keep Hill Country down—despite losing its headquarters in 1992 to fire damage, staff and local volunteers worked to reopen the clinic within six months.

In 2015, Hill Country opened its first satellite clinic in Redding, CA, in response to the significant unmet need created by the Affordable Care Act and California's Medicaid expansion. While Hill Country has been committed to the integration of primary medical care and mental health treatment since its inception, current integration efforts have focused on complex care programs, treating the whole person and addressing the social determinants of health. Most recently, the health center has turned focus towards constructing its newest facility, the Center of Hope (COH).



Artist rendering of the proposed Center of Hope building.

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Capital Project Description

After nearly two years fine-tuning building plans with Trilogy Architecture, Hill Country broke ground on the COH construction December 10, 2019. The COH is a proposed 36,000 square-foot health care campus offering mental health, addiction treatment, and dental services, along with 5,000 square feet of supported housing for youth transitioning out of homelessness. Hill Country's five existing Redding sites—currently serving approximately 6,500 patients—will be closed in 2021 and consolidated into the new center. Construction is expected to take 16 to 18 months.

This facility will expand Hill Country's overall capacity by 21,500 square feet. The COH will have 14 dental and 16 medical exam suites, along with 12 therapy suites and three group therapy rooms. The new center will offer extra case management and clinical support to patients with complex health and social needs using the help of local service providers, schools, and government agencies.

The COH will also have a 5,000 sq./ft. housing unit with 16 dorm-style apartments for low-income young adults as part of the Helping Overlooked Students Thrive (HOST) program. HOST provides case management services to transitional-aged youth enrolled at Shasta College or California Heritage Youth Build Academy (CHYBA). Part-time jobs will be reserved at the COH for these young people. A Wellness Center offering a computer lab, an art/science maker space, other vocational training and rooms for educational and support groups will also be available to residents as well as the surrounding community.



Artist rendering of the proposed Center of Hope.

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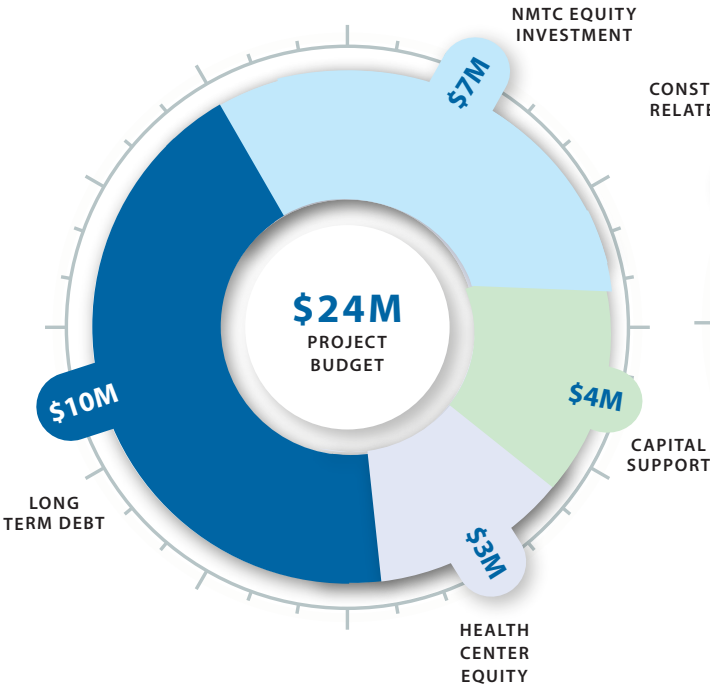
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Project Financing

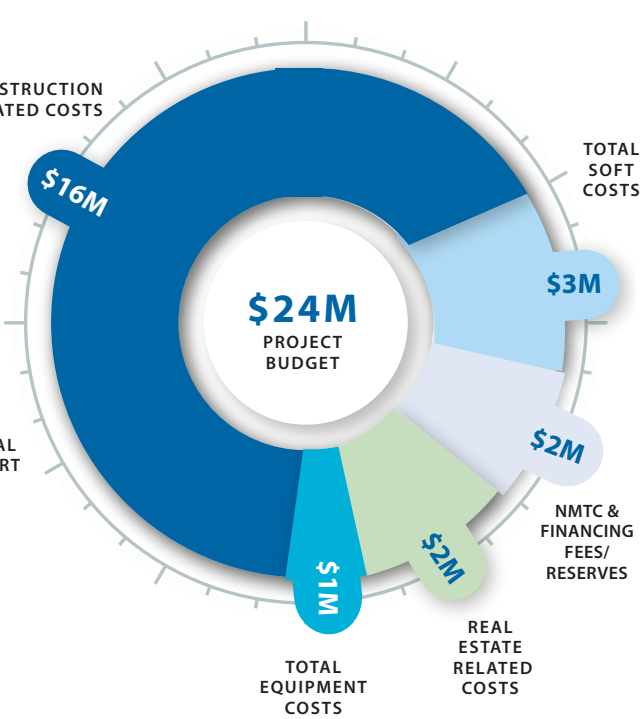
The nearly \$24 million COH project included a \$22 million New Markets Tax Credit allocation, which in turn generated over \$7 million in gross tax credit equity. The health center’s net equity gain from the tax credit investment is estimated to be approximately \$5 million, to be recognized after the seven-year program compliance period.

Additional funding for the COH included \$10 million in long term financing, health center equity of over \$3 million, and third party capital support of nearly \$4 million. Major project partners for the COH included the McConnell Foundation as well as Partnership Healthplan.

SOURCES OF PROJECT FUNDS



USES OF PROJECT FUNDS



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Impact

Capital Link used an integrated economic modeling and planning tool called IMPLAN (IMpact analysis for PLANning) to assess the economic impact of Hill Country's current and projected business operations. Economic activity can be calculated in terms of direct, indirect, and induced impact. Direct benefits flow from expanded operations, new facilities, and hiring. Indirect benefits come from local purchases. Induced benefits occur from spending resulting from new household income as all local industries grow.

The project will allow Hill Country to serve a projected 9,100 patients in the new facility by 2023, compared to 6,500 in 2018. Upon completion in late 2020, the COH will employ over twice the number of staff currently working in Hill Country's Redding sites, from 47 in 2018 to 108 in 2023.

Hill Country anticipates hiring additional providers in all three of its program areas, most notably adding two more dental providers. The 17 FTE providers are forecasted to generate more than 51,000 patient visits in Redding by 2023.

Total operating revenues for the COH are expected to jump from \$6.9 million in 2018 to \$12.5 million in 2023.

CENTER OF HOPE ECONOMIC IMPACT

	2018 Pre-Project	2023 Projected
Number of Patients Served	6,500	9,100
Number of Patient Visits	35,000	51,000
Total Operating Revenues	\$6,923,259	\$12,547,012
Total Expenses	\$5,377,793	\$9,833,862
Permanent Direct Employment	47	108
Total Economic Impact (Direct, Indirect and Induced)	\$10,791,664	\$19,834,576

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