

**California Health Facilities Financing Authority**  
**INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM**

**First Funding Round Recommendations for Funding**  
**EXECUTIVE SUMMARY**

**Background**

When Senate Bill 82 became law on June 27, 2013, the Authority was statutorily charged with implementing a grant program under the Investment in Mental Health Wellness Act of 2013 (the “Program”) to support new or expanded mental health crisis residential, stabilization and mobile response programs. In the state budget, a total of \$142,500,000 were appropriated for grants for capital funding for all three types of programs and \$6,800,000 was appropriated for personnel funding for mobile crisis support teams, including \$4 million in Mental Health Services Act funds and an estimated \$2.8 million in Medi-Cal federal financial participation.

The Authority held a public forum in four cities (Sacramento, Oakland, Fresno and Santa Ana) and one webinar to glean stakeholder input in the design of the grant program. Executive staff met with technical experts and visited existing programs for the same purpose. Emergency regulations based on stakeholder and expert input were approved by the Authority on October 31, 2013. The emergency regulatory process was completed on November 21, 2013 when the Office of Administrative Law (OAL) approved the regulations, effective immediately.

The application period was opened immediately with a 60-day deadline of January 22, 2014 to submit an application. In the first two weeks of December, 2013, three information sessions were held to educate potential grant applicants about application requirements; two were webinars, and one was an in-person session in Sacramento.

The Authority received 33 applications from 37 counties<sup>1</sup> for services to residents of 42<sup>2</sup> of California’s 58 counties. For capital funding, the applications totaled approximately \$111,700,000 for 1,001 proposed new residential stabilization beds and 98 proposed new mobile crisis support vehicles and related costs, such as 3-months of working capital for program start-up. For personnel funding, the applications totaled approximately \$14,500,000 for 193 staff for mobile crisis support teams.

**Process**

Each application was rated according to criteria defined in the Program’s regulations by at least two analysts whose work was reviewed by a grant review team that consisted of Authority executives, managers and staff. The grant review team was advised by the Authority’s technical advisor, California Institute of Mental Health, represented by Will

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<sup>1</sup> Merced, Madera, Tuolumne, Calaveras, and Mariposa Counties were co-applicants.

<sup>2</sup> Butte County proposed to provide crisis residential treatment beds available to four additional counties, including Sutter, Yuba, Glenn and Tehama. The additional counties were not co-applicants.

Rhett-Mariscal, Ph.D. The grant review committee was also advised by the California Mental Health Director's Association.

In accordance with Program regulations, Authority staff informed applicants of the outcomes of the review process in the form of initial allocations<sup>3</sup> for funding. Three applicants appealed the initial allocations to the Authority's executive director. These appeals and their outcomes are as follows:

- an applicant submitted an appeal to address a misunderstanding of some proposed costs that were found to be ineligible. This appeal was approved on its merits.
- an applicant appealed staff's decision to provide an initial allocation for only one of its two proposed programs. The executive director reviewed the application and denied the appeal. The executive director's ruling was not further appealed.
- although the applicant was determined to be eligible for funding, the applicant could not receive an initial allocation because higher-scoring applications depleted the maximum funds available. The executive director reviewed the application and denied the appeal. The executive director's ruling was not further appealed.

### **Staff Recommendations**

Authority staff prepared initial allocations for 22 grants for 26 applicants for services to residents of 30 in California's 58 counties. Subsequently, two counties in the Bay Area Region (Napa and Monterey) declined their initial allocations for capital funding because no funding remained for mobile crisis personnel after initial allocations were given for higher rated applications. These counties determined that their proposed projects were not feasible without personnel funding and could not be scaled back. As a result, there are 20 remaining initial allocations.

For capital funding, the initial allocations total \$71,331,343.91 for 827 new residential and stabilization beds and 39 proposed new mobile crisis support vehicles and related costs. For personnel funding, the initial allocations total \$3,974,289.42 for 59.75 staff members for mobile crisis support. Some highlights include:

- Proposed Expenditures with Capital Funds<sup>4</sup>:
  - Purchase of real property: \$17,220,187.00
  - Construction or renovation: \$36,780,353.40
  - Furnishings or equipment: \$2,408,345.42
  - Information technology: \$693,863.00
  - Program startup or expansion costs (3 months): \$13,013,488.60
  - Purchase of vehicles: \$1,215,106.49

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<sup>3</sup> Initial allocation is defined in regulations as, "the Grant amount the Authority staff recommends the Authority approve for final allocation . . ." and final allocation is defined as "the grant amount approved by the Authority."

<sup>4</sup> These amounts are subject to change.

- Programs Designed to Serve Youth: Four counties have proposed crisis stabilization programs for adolescents. These four counties will reserve 41 crisis stabilization beds for adolescents, including Sonoma (5), Fresno (8), San Joaquin (4), and Los Angeles (24). San Joaquin County and Contra Costa County propose to serve children under the age of 18 with mobile crisis support teams, including two vehicles and three staff. Many recommended mobile crisis support teams, though not structured specifically for youth, will also respond to youth in crisis.
- Programs Serving Small Counties: Six of nine applicants designated as “small counties” by the California Mental Health Director’s Association received initial allocations for programs that propose to bring services to 15 small counties, including nine with populations fewer than 100,000 people. The 12-bed crisis residential treatment program proposed to be located in Merced County is a collaborative project with Madera, Tuolumne, Calaveras and Mariposa counties. Also, Butte County’s proposed 10-bed residential treatment program also plans to be available to residents of Sutter, Yuba, Glenn and Tehama counties. The crisis stabilization project proposed by Nevada County will create four new crisis stabilization beds. New mobile crisis support teams will serve residents in Yolo, Mendocino and Lake Counties.

Further information on the applicants and initial allocations are provided in staff summaries and the attached map and “Summary of Recommendations for Funding” list.

Staff also recommends a second funding round for any sums remaining after final allocations. The second funding round could commence as early as the first working day of the week following the approval by the Authority of all grants in the first funding round.

California Health Facilities Financing Authority  
Investment in Mental Health Wellness Grant Program  
California Counties by Mental Health Regions  
Recommendations - First Funding Round, April 24, 2014



\* Sutter, Glenn, Yuba, and Tehama are expected to be able to utilize Crisis Residential in Butte County

California Health Facilities Financing Authority  
Investement in Mental Wellness Grant Program - First Funding Round  
Summary of Recommendations for Funding, April 24, 2014

		Capital				
		Initial Allocation	Beds			
<b>Superior Region</b>						
Crisis Residential	Region Maximum:	\$5,701,754.39				
	Region Remaining:	\$4,834,329.39				
	Butte	\$ 867,425.00	10			
		<b>\$ 867,425.00</b>				
Crisis Stabilization	Region Maximum:	\$684,210.52				
	Region Remaining:	\$184,210.52				
	Nevada	\$ 500,000.00	4			
		<b>\$ 500,000.00</b>				
		Capital				Personnel
		Initial Allocation	Vehicles	Staff	Initial	Allocation
Mobile Crisis Support	Region Maximum:	\$114,035.09			\$ 182,941.18	
	Region Remaining:	\$0.00			\$ -	
	Lake	\$ 114,035.09	2	2	\$ 142,228.00	
	Mendocino	\$ -	0	0.5	\$ 40,713.18	
		<b>\$ 114,035.09</b>			<b>\$ 182,941.18</b>	

		Capital				
		Initial Allocation	Beds			
<b>Central Region</b>						
Crisis Residential	Region Maximum:	\$21,929,824.56				
	Region Remaining:	\$19,919,197.56				
	Merced, Madera, Tuolumne, Calaveras, Mariposa	\$ 2,010,627.00	12			
		<b>\$ 2,010,627.00</b>				
Crisis Stabilization	Region Maximum:	\$2,631,578.95				
	Region Remaining:	\$0.00				
	San Joaquin	\$ 1,836,783.50	8			
	Fresno	\$ 794,795.45	16			
		<b>\$ 2,631,578.95</b>				
		Capital				Personnel
		Initial Allocation	Vehicles	Staff	Initial	Allocation
Mobile Crisis Support	Region Maximum:	\$438,596.49			\$ 701,764.70	
	Region Remaining:	\$0.00			\$ 24,653.56	
	San Joaquin	\$ 206,400.00	3	6	\$ 465,520.62	
	Yolo	\$ 177,500.00	5	0		
	Sacramento	\$ 54,696.49	2	4	\$ 211,590.52	
		<b>\$ 438,596.49</b>			<b>\$ 677,111.14</b>	

California Health Facilities Financing Authority  
Investement in Mental Wellness Grant Program - First Funding Round  
Summary of Recommendations for Funding, April 24, 2014

		Capital				
		Initial Allocation	Beds			
<b>Bay Area Region</b>						
Crisis Residential	Region Maximum:	\$22,807,017.54				
	Region Remaining:	\$14,036,962.17				
	Santa Clara	\$ 3,963,106.00	30			
	Alameda	\$ 4,806,949.37	16			
		<b>\$ 8,770,055.37</b>				
Crisis Stabilization	Region Maximum:	\$2,736,842.11				
	Region Remaining:	\$0.00				
	Sonoma	\$ 2,000,000.00	18			
	Santa Clara	\$ 736,842.11	8			
		<b>\$ 2,736,842.11</b>				
		Capital		Personnel		
		Initial Allocation	Vehicles	Staff	Initial Allocation	
Mobile Crisis Support	Region Maximum:	\$456,140.35				\$ 729,411.76
	Region Remaining:	\$193,615.80				\$ 1,057.02
	Marin	\$ 87,200.00	2	4		\$ 352,168.05
	Contra Costa	\$ 175,324.55	3	3.25		\$ 376,186.69
	Napa	\$ -	0	0		\$ -
	Monterey	\$ -	0	0		\$ -
		<b>\$ 262,524.55</b>				<b>\$ 728,354.74</b>

		Capital				
		Initial Allocation	Beds			
<b>Southern Region</b>						
Crisis Residential	Capital Maximum:	\$39,473,684.21				
	Region Remaining:	\$31,556,281.21				
	Santa Barbara	\$450,000.00	8			
	Riverside	\$3,778,935.00	16			
	San Diego	\$3,688,468.00	14			
		<b>\$ 7,917,403.00</b>				
Crisis Stabilization	Region Maximum:	\$4,736,842.11				
	Region Remaining:	\$0.00				
	Santa Barbara	\$ 1,500,000.00	10			
	Riverside	\$ 2,102,065.00	12			
	Ventura	\$ 1,134,777.11	13			
		<b>\$ 4,736,842.11</b>				
		Capital		Personnel		
		Initial Allocation	Vehicles	Staff	Initial Allocation	
Mobile Crisis Support	Region Maximum:	\$789,473.68				\$ 1,262,941.18
	Region Remaining:	\$213,818.75				\$ -
	Riverside	\$ 176,000.00	6	13		\$ 599,415.22
	Santa Barbara	\$ 50,000.00	2	10		\$ 663,525.96
	San Luis Obispo	\$ 67,377.00	2	0		\$ -
	Ventura	\$ 282,277.93	7	0		\$ -
		<b>\$ 575,654.93</b>				<b>\$ 1,262,941.18</b>

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Summary of Recommendations for Funding, April 24, 2014

		Capital				
		Initial Allocation	Beds			
<b>Los Angeles Region</b>						
Crisis Residential	Region Maximum:	\$35,087,719.30				
	Region Remaining:	\$87,719.30				
	Los Angeles	\$ 35,000,000.00	560			
		<b>\$ 35,000,000.00</b>				
Crisis Stabilization	Region Maximum:	\$4,210,526.31				
	Region Remaining:	\$0.00				
	Los Angeles	\$ 4,210,526.31	72			
		<b>\$ 4,210,526.31</b>				
		Capital		Vehicles	Staff	Personnel
		Initial Allocation				Initial Allocation
Mobile Crisis Support	Region Maximum:	\$701,754.39				\$ 1,122,941.18
	Region Remaining:	\$142,521.39				\$ -
	Los Angeles	\$ 559,233.00		5	17	\$ 1,122,941.18
		<b>\$ 559,233.00</b>				<b>\$ 1,122,941.18</b>

Grand Totals	Capital Initial		Beds	Vehicles	Staff	Personnel
	Allocation					Initial Allocation
	<b>\$ 71,331,343.91</b>		<b>827</b>	<b>39</b>	<b>59.75</b>	<b>\$ 3,974,289.42</b>
Statewide Maximum Capital	\$142,500,000.00	Statewide Capital Remaining		\$71,168,656.09		
Statewide Maximum Personnel	\$ 4,000,000.00	Statewide Personnel Remaining		\$25,710.58		

California Health Facilities Financing Authority  
Investment in Mental Wellness Grant Program - First Funding Round  
Summary of Recommendations for No Funding, April 24, 2014

Region	Program	Capital Regional Maximum	Requested Amount	Beds				Requested Personnel
<b>Superior Region</b>								
	Crisis Residential							
		Shasta	\$ 557,187.00	5				
			<b>\$ 557,187.00</b>					
	Crisis Stabilization							
		Humboldt	\$ 768,510.00	4				
			<b>\$ 768,510.00</b>					
	Mobile Crisis Support				Vehicles	Staff		
		Humboldt	\$ 231,490.00		3	4	\$ 191,006.00	
		Shasta	\$ 73,952.00		2	2.1	\$ 368,861.00	
			<b>\$ 305,442.00</b>				<b>\$ 559,867.00</b>	

Region	Program	Capital Regional Maximum	Requested Amount	Beds				Requested Personnel
<b>Central Region</b>								
	Crisis Residential							
		Fresno	\$ 1,100,000.00	18				
		Sacramento	\$ 2,443,737.00	15				
			<b>\$ 3,543,737.00</b>					
	Crisis Stabilization							
		Stanislaus	\$ 1,900,000.00	4				
			<b>\$ 1,900,000.00</b>					
	Mobile Crisis Support				Vehicles	Staff		
		Merced	\$ 63,990.00		1	3.5	\$ 655,500.00	
		El Dorado	\$ 153,390.00		3	0	\$ -	
			<b>\$ 217,380.00</b>				<b>\$ 655,500.00</b>	



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Summary of Recommendations for No Funding, April 24, 2014

Region	Program	Capital Regional Maximum	Requested Amount	Beds				
<b>Bay Area Region</b>								
	Crisis Residential							
		San Francisco	\$ 3,000,000.00	12				
			<u>\$ 3,000,000.00</u>					
	Crisis Stabilization							
		San Francisco	\$ 250,000.00	2				
		San Mateo	\$ 1,334,530.00	10				
			<u>\$ 1,584,530.00</u>					
	Mobile Crisis Support				Vehicles	Staff	Requested Personnel	
		Santa Clara	\$ 304,493.00		2	8	\$ 232,004.00	
		Solano	\$ 267,945.00		5	4	\$ -	
		Alameda	\$ 73,337.12		2	2	\$ 258,341.51	
		San Francisco	\$ 204,055.00		5	9	\$ 545,945.00	
		San Mateo	\$ 308,860.00		3	0	\$ -	
		Santa Cruz	\$ 466,000.00		11	11	\$ -	
			<u>\$ 1,624,690.12</u>				<u>\$ 1,036,290.51</u>	

Region	Program	County	Requested Amount	Beds				
<b>Southern Region</b>								
	Crisis Residential							
		San Bernardino	\$ 1,197,779.00	16				
		Orange	\$ 5,490,945.00	15				
			<u>\$ 6,688,724.00</u>					
	Crisis Stabilization							
		San Bernardino	\$ 1,594,883.00	20				
		San Luis Obispo	\$ 844,785.00	4				
		Orange	\$ 5,453,600.00	29				
		Kern	\$ 2,012,505.00	12				
			<u>\$ 9,905,773.00</u>					
	Mobile Crisis Support				Vehicles	Staff	Requested Personnel	
		Kern	\$ 452,673.00		6	6	\$ 1,241,083.00	
			<u>\$ 452,673.00</u>				<u>\$ 1,241,083.00</u>	

Grand Totals	Requested Amount	Beds	Vehicles	Staff	Requested Personnel
	<u>\$ 30,548,646.12</u>	166	43	49.60	<u>\$ 3,492,740.51</u>