

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (“Authority”)

Investment in Mental Health Wellness Grant Program (“IMHWGP”) – 3rd Round

Third Amendment to Resolution Number MH 2015-05

County of San Bernardino

March 13, 2018

PURPOSE OF THE REQUEST:

The County of San Bernardino (the “County”) is requesting the Authority approve a third amendment to Resolution Number MH 2015-05 (third funding round) to amend the milestones and extend the resolution and grant period expiration date from May 31, 2018 to January 31, 2019.

BACKGROUND:

On June 25, 2015, the Authority approved a Final Allocation for a grant for the County in amount not to exceed \$3,054,094 to establish a 16-bed Crisis Residential Treatment program (“CRT”) as part of the third funding round. Grant funds were approved for the purchase of property, construction, the purchase of furnishings and equipment, and information technology costs. The County received an extension in February 2017 with milestones that included: (1) begin construction on the CRT by March 15, 2017 and; (2) ensure the CRT will be operational by April 30, 2018. The County met the first milestone with construction beginning January 30, 2017.

ISSUE:

The County will not meet the second milestone and is unable to ensure that the CRT will be operational by April 30, 2018. The delay is caused by slight construction delays and insufficient time to obtain licensure and certification.

Construction of the CRT is ninety percent complete with the project completion now pending final installation of the required utilities. Once utility connections and final construction elements are complete, the County’s construction contractor will request final building inspections after which the County can obtain the final Certificate of Occupancy. Upon occupancy of the facility, the service provider, Valley Star will schedule Community Care Licensing Division (CCLD) inspections, in accordance with CCLD policies and regulations.

The County anticipates that the construction of the CRT will be completed by June 30, 2018 and will be fully operational on or before December 31, 2018. However, based on prior experiences, the County is requesting an extension of the resolution and grant period expiration date to December 31, 2018 to allow for unforeseen contingencies and to request disbursement of grant funds.

RECOMMENDATION:

Staff recommends the Authority approve a third Amendment to Resolution Number MH 2015-05 to amend the milestone conditions and extend the resolution and grant period expiration date to January 31, 2019. The amended conditions will be as follows:

1. The County must provide evidence acceptable to Authority staff demonstrating (a) completion of construction on the CRT by June 30, 2018, and (b) the CRT shall be operational by December 31, 2018.
2. Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the CRT is on track to be operational on or before December 31, 2018.
3. The County must submit all grant disbursement requests, including required supporting documentation, to the Authority no later than December 31, 2018.

~~SECOND~~-THIRD AMENDMENT TO RESOLUTION NO. MH 2015-05

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
TO THE COUNTY OF SAN BERNARDINO**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Section 5848.5, the “Act”) and implementing regulations (California Code of Regulations Title 4, Division 10, Chapter 5 (commencing with Section 7113)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of San Bernardino (“Grantee”) against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$3,054,094.00 for the eligible project (the “Project”), which consists of no more than \$3,054,094.00 for crisis residential treatment capital costs;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant in a total amount not to exceed \$3,054,094.00 to complete the Project as described in the Grantee’s application and as more particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a project period that ends on ~~May 31, 2018~~ January 31, 2019. Within this project period, Grantee shall provide evidence acceptable to Authority staff demonstrating (a) ~~start of construction on the Project (crisis residential treatment facility) by March 15, 2017~~ completion of construction of the Project by June 30, 2018, and (b) the Project shall be operational by ~~April 30, 2018~~ December 31, 2018. Funds shall not be disbursed if Grantee is unable to provide evidence acceptable to Authority staff that the Project is on track to be operational on or before ~~April 30, 2018~~ December 31, 2018. Grantee must submit all disbursement requests, including required supporting documentation, to the Authority no later than ~~April 30, 2018~~ December 31, 2018.

Section 2. The Executive Director is hereby authorized for and on behalf of the Authority to approve any minor, non-material changes in the Project described in the application submitted to the Authority. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding, even if more grants are approved than there is available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director is hereby authorized and directed, for and on behalf of the Authority, to disburse funds not to exceed those amounts approved by the Authority for the Grantee. The Executive Director is further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the disbursement of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director of the Authority is hereby authorized and directed to do any and all things and to execute and deliver any and all documents which the Executive Director deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution expires ~~May 31, 2018~~ [January 31, 2019](#).

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of San Bernardino as follows:

The County of San Bernardino (the “County”), will construct a new 16-bed Crisis Residential Treatment (“CRT”) Program to serve adults ages 18 and older in the central region of the County. The CRT Program services will be specialized to provide crisis intervention for individuals diagnosed with co-occurring substance use and mental health disorders in a safe home-like environment. The average length of stay is expected to be up to two weeks. The County estimates that the CRT Program will reduce disposition time for visits to emergency rooms and psychiatric inpatient utilization rates, as well as reduce law enforcement involvement on mental health crisis calls. Grant funds will be used for the construction of a new building.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 3,054,094.00