

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (“Authority”)

Investment in Mental Health Wellness Grant Program (“IMHWGP”)

County of Napa Update

June 28, 2018

In December 2017, the Authority approved an extension and amendment to the resolution for the County of Napa (“the “County”) in an amount not to exceed \$2,152,701 to expand their existing Crisis Residential Treatment (“CRT”) program from eight to 12 beds. The County and its designated non-profit service provider, Progress Foundation, are exploring options to purchase and renovate property for the CRT program. As a condition of approval, the Authority required the County to provide an updates in June and September of 2018 detailing the progress towards meeting their first milestone of acquiring property by June 30, 2019. The following is a summary of the update provided by the County.

Progress Foundation has agreed to sell the County its existing property to expand the current CRT program and services. Due to a recent increase in construction and labor costs resulting from of the October 2017 Fire Storm Disaster, the County will conduct a feasibility study to provide new construction and labor costs estimates and determine whether they will have sufficient funds to purchase and expand the current facility. Currently, the only funds dedicated for the construction and development of the CRT expansion project are the CHFFA grant funds. The County is currently in discussions with the County Executive Officer regarding the potential need to leverage additional funds for this project, pending the results of the feasibility study.

The County and Progress Foundation continue to work diligently towards meeting the current milestones and project deadlines. The County is also aware that they may have to forfeit grant funds if they’re unable to meet the milestones and project deadlines.

The County has also stated that, if necessary, they would like to explore the possibility of an additional extension to the grant agreement. However, at this time, staff is not ready to explore an extension request and focused on working closely with the County to meet their current milestones and project deadlines.