

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Investment in Mental Health Wellness Grant Program (IMHWGP)

Resolution Number MH 2014-20B

County of Sonoma

June 25, 2020

PURPOSE OF THE REQUEST:

The County of Sonoma (County) is requesting the Authority approve Resolution No. MH 2014-20B to approve a new project description that was previously approved under Resolution No. MH 2014-20 that awarded the County \$2 million in funds to develop a 30-bed Crisis Stabilization Unit (CSU) (Attachment 1). The County is requesting to retain the allocated grant funds while reducing the number of grant-funded beds from 18 to four, for a total CSU capacity of 16 beds, rather than 30.

ISSUE:

Resolution No. MH 2014-20, which approved a project description that required the County's CSU to relocate and expand its capacity for adults, youth and children experiencing a behavioral crisis by 18 additional overnight beds for a total of 30 beds, expired on June 30, 2016. The County was successful in relocating the CSU but was not successful in expanding the number of beds as originally proposed due to regulatory restrictions and natural disasters¹ that impacted the County's budget.

According to the County, at the time of its initial application, it was a relatively standard practice to allow individuals to remain in CSUs beyond the 24-hour regulatory limit when there were no available facilities to which they could transfer, even though Medi-Cal does not compensate CSUs for services after 24 hours. The County is now finding it financially challenging to continue absorbing those costs and has been in discussions with the California Department of Health Care Services, which also now views these overstays as unacceptable, regardless of the dilemma of discharging individuals who remain a danger to themselves.

After the Authority's discovery of the unmet number of beds funded with grant funds, Authority staff has been in ongoing regular conversations with the County seeking a workout plan for its CSU. The County reassessed its CSU operations and determined that a 16-bed rather than a 30-bed CSU, along with a 14-bed Psychiatric Health Facility to address the bottleneck at the CSU, would be financially viable and meet the County's current needs in the crisis continuum of care. The CSU will continue to be a priority for the County, and it will allocate the funds necessary to operate the program at the 16-bed capacity. The County is requesting the Authority's approval to retain the fully allocated and disbursed grant amount of \$2 million for relocation and expansion of the CSU by four additional beds.

If approved, this resolution would include a new project description allowing the County to expand the CSU bed capacity by four additional beds rather than the previously approved 18 additional beds.

¹ The 2017 Tubbs Fire, the 2019 Guerneville Flood, the 2019 Kincaid Fire, and the 2019 Public Safety Power Shutoffs.

BACKGROUND:

On April 24, 2014, the Authority approved a final allocation for the County in the amount of \$2 million to relocate and expand the County’s CSU, to gradually increase its capacity from 12 to 30 beds to serve more adults, youth and children experiencing a behavioral health crisis. On March 7, 2016, the CSU opened with 16 beds and expanded to 24 beds by November 2017. By September 2019, the CSU bed count decreased back to 12.

RECOMMENDATION:

Staff recommends that the Authority approve Resolution Number MH 2014-20B approving the new project description as presented in Exhibit A of the resolution.

Attachment 1: Resolution No. MH 2014-20

RESOLUTION NO. MH 2014-20

**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 SONOMA**

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, “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 Sonoma (“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 \$2,000,000.00 for the eligible project (the “Project”), which consists of no more than \$2,000,000.00 for crisis stabilization 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 \$2,000,000.00 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 June 30, 2016.

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 and extend the project period completion date identified in Section 1 as authorized under the Act and implementing regulations. 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 June 30, 2016.

Date Approved: April 24, 2014

RESOLUTION NO. MH 2014-20B

A RESOLUTION OF THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY APPROVING A NEW PROJECT DESCRIPTION UNDER THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM FOR THE COUNTY OF SONOMA'S GRANT

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, "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, The County of Sonoma ("Grantee") was approved by the Authority, through the approval of Resolution No. MH 2014-20, and, pursuant to the Act and implementing regulations, to receive a grant in an amount not to exceed \$2,000,000.00 for the eligible project (the "Project"), which consisted of no more than \$2,000,000.00 for crisis stabilization capital costs;

WHEREAS, The Grantee has requested to amend the project description.

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

Section 1. The Authority hereby approves the project description as described in Exhibit A (hereby incorporated by reference) to this Resolution. [Click here to enter a date.](#)

Section 2. The Executive Director and the Deputy Executive Director are each hereby authorized, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the project description as authorized under the Act and implementing regulations. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding.

Section 3. The Executive Director and the Deputy Executive Director are each hereby authorized and directed, for and on behalf of the Authority, to do any and all things and to execute and deliver any and all documents, which the Executive Director and the Deputy Executive Director deem necessary or advisable in order to effectuate the purposes of this Resolution and the transaction contemplated hereby.

Section 4: This resolution expires December 31, 2021

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

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

The County of Sonoma (County) will continue to operate the relocated and expanded County Crisis Stabilization Unit funded by the \$2 million grant awarded under Resolution Number MH 2014-20 for adults, youth and children experiencing a behavioral health crisis for the useful life of the project at a total capacity of 16-beds (consisting of 4 new, expanded beds and 12 relocated beds) in a home-like environment with state-of-the-art crisis stabilization services.