

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Investment in Mental Health Wellness Grant Program (IMHWGP)

Resolution No. MH 2014-06 (First Funding Round)

County of Los Angeles

Quarterly Update

July 29, 2021

The Authority approved a reinstatement of, and an amendment to, Resolution Number MH 2014-06 on February 22, 2018 for an IMHWGP grant for the County of Los Angeles Department of Mental Health (County) in an amount not to exceed \$40,892,700.49 for 240 beds to serve adults in 15 new Crisis Residential Treatment Programs (CRTP); eight new beds in one expanded Crisis Stabilization Unit (CSU), aka Urgent Care Center (UCC); 14 Mobile Crisis Support Teams (MCST) and one clerical staff to provide field-based crisis intervention services to children, adolescents, and adults throughout the County.

As a condition of approval, the Authority required the County to provide quarterly updates detailing milestones achieved, progress, and obstacles or challenges related to the completion of the projects as described in the Authority resolution. The last update was presented to the Authority on April 29, 2021.

The County's thirteenth quarterly update is summarized on the following pages.

July 2021 QUARTERLY UPDATE

The County reports that all projects, except the LAC+USC Campus project, are meeting their targeted milestones and are on track to be open and operational on or before the November 30, 2021 milestone deadline.

The County's construction company for the LAC+USC Campus will not be able to meet its contractual agreement, as they experienced a delay in the procurement of windows and doors due to the COVID-19 pandemic. Unfortunately, this delay will impact the construction completion date of the project and the open and operational date of the project pushing them out beyond their milestone deadlines and most likely into early 2022. This delay in the project becoming open and operational would place the County in breach of its grant agreement. In addition, the grant agreement does not allow funds to be disbursed until acceptable evidence is provided that the projects will be open and operational by the deadlines.

The Authority discovered and confirmed with the Department of Finance that the budget allows the expenditure of IMHWGP grant funds beyond the original December 31, 2021 program deadline. The enacted 2019-20 budget, which aligned and extended the 2016-17 and 2017-18 budgets' encumbrance and expenditure deadlines for the IMHWGP for Children and Youth to June 30, 2024 and June 30, 2026 respectively, also extended the encumbrance and expenditure deadline for the IMHWGP because the two programs are interrelated. Therefore, the board may entertain a request to extend the milestone conditions and grant period and resolution expiration dates. Staff will work with the County and bring forth an item before the board later this fall to extend the County's milestone conditions and grant period and resolution expiration dates.

Below is a summary of the County's thirteenth quarterly update on the work that has been completed and the upcoming milestones.

For all campuses:

- Weekly meetings with the construction teams continue to communicate progress and COVID-19 pandemic updates regarding worker safety and impact on materials and to address outstanding issues related to construction.
- The CRTP service provider solicitation was issued on December 17, 2020. A virtual service provider bidder's conference, with the participation of the Department of Social Services, Community Care Licensing (CCL) Division and Department of Health Care Services (DHCS), occurred on July 14, 2021.
- CCL's regional manager and staff have visited all four projects sites, in anticipation of starting the licensing process once construction is complete.

COVID-19 Related Impacts:

- Since the April 2021 quarterly update, there have been COVID-19 pandemic related impacts to materials procurement for the four CRTP buildings at LAC+USC.
- Construction managers at all sites continue to monitor the situation, provide additional hand washing/sanitizing stations onsite, and ensure that all crew members are wearing PPE and maintaining six-foot physical distancing.

- To date there has been no financial impact on the projects due to the COVID-19 pandemic, and as of the current time, the MLK Campus, Olive View Campus, and Rancho Los Amigos Campus projects are still expected to be completed on time as planned.

LAC+USC Campus (4 CRTPs, 64 beds):

- Construction activities started in July 2020 and are 70% complete.
- Ceiling installations are underway. Exterior flashing, interior drywall, ceiling frames and elevator shaft installations are ongoing.
- The procurement of doors and windows has been significantly delayed due to the COVID-19 pandemic.
- Due to delays in the procurement of doors and windows, the CRTPs are now expected to be completed by late fall 2021 and open and operational by spring 2022 instead of the previously reported timeframes of completion by summer 2021 and open and operational by late fall 2021.

MLK Campus: Mark Ridley-Thomas BHC (1 CRTP, 16 beds):

- Construction activities began in January 2020 and are 95% complete.
- The County is working with the Department of Public Works on modifications needed for specific behavioral health/anti-ligature safety fixtures and furnishings as well as ADA compliance.
- Minor required fixes, such as accent paint color, have been identified during the final walk through, and the CRTP is now estimated to be completed by summer 2021 and open and operational by late fall 2021, instead of the previously reported timeframes of completion by spring 2021 and open and operational by late summer 2021.

Olive View Campus (5 CRTPs, 80 beds) and (1 UCC, 8 beds):

- Construction activities began in April 2020. The CRTP buildings are 80% complete and the UCC building is 100% complete.
- CRTP:
 - Trim installation, final paint, interior signage and finishes are complete.
 - Fire alarm devices are installed.
 - Exterior site work continues.
 - Installation of doors and hardware, information technology data racks and sewer are ongoing.
 - The CRTPs are still estimated to be completed by the end of summer 2021 and open and operational by fall 2021.
- UCC:
 - Final fire inspection passed on June 22, 2021.
 - Full certificate of occupancy was granted on July 1, 2021.
 - The UCC is scheduled to be open and operational by fall 2021.

Rancho Los Amigos Campus (5 CRTPs, 80 beds):

- Construction activities began in May 2020 and are 98% complete.
- Interior and exterior finishes, site concrete work and landscaping are nearing completion.
- Fire alarm and elevator testing were completed on July 9, 2021.
- Full certificate of occupancy was granted on July 16, 2021.
- The CRTPs are still estimated to be completed by summer 2021 and open and operational by fall 2021.