

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Community Services Infrastructure Grant Program (CSI)

Amendment to Resolution Number CSI 2019-08 (First Funding Round)

County of Yolo

October 28, 2021

PURPOSE OF THE REQUEST:

The County of Yolo (County) is requesting the Authority approve an amendment to Resolution Number CSI 2019-08 to amend the milestone conditions and extend the resolution and grant period expiration dates for its Community Services Infrastructure Grant Program (CSI) project.

ISSUE:

The County will not be able to meet the milestone deadline of being open and operational by October 31, 2021. The County has encountered delays in locating the two properties for its approved CSI project, due to strong local opposition. The County had initially located one property in West Sacramento, completed renovation, and then conducted neighborhood outreach, which resulted in strong local opposition to the jail diversion program being located in the neighborhood, forcing the County to abandon the project site. The County located a second property in Woodland, but the purchase of the property was not approved by the County's Board of Supervisors due to concerns about insufficient community outreach. The County continues to look for suitable properties for the CSI projects and will conduct intensive outreach prior to entering into a purchase contract.

Additionally, the County will not be able to meet the current readiness, feasibility, and sustainability requirement deadline of October 31, 2021 due to the COVID-19 pandemic impact on County resources and additional time needed to locate and procure two properties. The County is requesting to extend the readiness, feasibility, and sustainability requirement deadline to November 30, 2022, to amend its milestone deadline of being open and operational to June 30, 2023 and to amend its milestone deadline to submit all disbursement documentation to September 30, 2023. These extensions will give the County additional time to locate and renovate two properties and begin providing services to the justice-involved individuals.

On September 23, 2021, the Governor signed Senate Bill 170, which extended the CSI encumbrance deadline from June 30, 2020 to June 30, 2023, which results in a June 30, 2025 disbursement deadline.

BACKGROUND:

The Authority approved a final allocation on July 25, 2019, awarding the County grant funds in the amount of \$1,000,000.00 to purchase two houses and establish two new residential facilities for justice-involved individuals for a total of 10 beds. The facilities will provide housing and treatment space for justice-involved individuals suffering from mental health illness as well as substance use disorders and who are currently experiencing homelessness. Grant funds will be used for facility acquisition, renovation, furnishings and equipment, and program startup.

Resolution Number CSI 2019-08 was approved with the following milestone conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before October 31, 2021; (2) funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the project is on track to be operational on or before October 31, 2021; and (3) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than March 31, 2022.

RECOMMENDATION:

Staff recommends the Authority approve an amendment to Resolution Number CSI 2019-08 to amend the milestones and extend the resolution and grant period expiration dates to December 31, 2023, subject to the following amended milestone conditions:

- 1) The County must submit all readiness, feasibility, and sustainability documentation to the Authority no later than November 30, 2022.
- 2) The County must provide evidence acceptable to Authority staff demonstrating that the Project shall be operational on or before June 30, 2023.
- 3) Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the project is on track to be operational on or before June 30, 2023.
- 4) The County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than September 30, 2023.

All other conditions in the Resolution shall remain the same and in full effect.

AMENDMENT TO RESOLUTION NO. CSI 2019-08

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE COMMUNITY SERVICES INFRASTRUCTURE GRANT PROGRAM
TO THE COUNTY OF YOLO**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the provisions of the Community Services Infrastructure Grant Program (Welfare and Institutions Code Section 5848.5) and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 8 (commencing with Section 7413)) to award grants for capital funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by the County of Yolo (“Grantee”) against the eligibility requirements of the Community Services Infrastructure Grant Program and implementing regulations, and pursuant to the Community Services Infrastructure Grant Program and implementing regulations, recommends approval of a grant for the eligible project (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);

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

Section 1. The Authority hereby approves a grant for capital costs in the amount of \$1,000,000.00 to complete the Project within a grant period that ends on ~~June 30, 2022~~ December 31, 2023. Within this grant period, Grantee shall submit all readiness, feasibility, and sustainability documentation to the Authority on or before November 30, 2022. Grantee shall provide evidence acceptable to Authority staff demonstrating that the Project shall be operational on or before ~~October 31, 2021~~ June 30, 2023. 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 ~~October 31, 2021~~ June 30, 2023. Grantee must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than ~~March 31, 2022~~ September 30, 2023.

Section 2. The Executive Director or the Deputy Executive Director, are hereby authorized and directed, 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 grant period completion date identified in Section 1. Nothing in this Resolution shall be construed to require the Authority to provide additional funding, even if more grants are approved, exceeding 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 available for any reason whatsoever.

Section 3. The Executive Director or the Deputy Executive Director, are 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 or the Deputy Executive Director, are 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 Community Services Infrastructure Grant Program and implementing regulations.

Section 4. The Executive Director or Deputy Executive Director, are 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 or the Deputy Executive Director, deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. All funds from this grant must be used in support of the Grantee's jail diversion Project as described in Exhibit A to this resolution.

Section 6. This resolution expires on ~~June 30, 2022~~ December 31, 2023.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

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

The Grantee must add at least ten (10) new beds and expand service capacity to approximately twenty (20) clients annually in a new jail diversion program for mental health treatment and substance use disorder treatment services which will be provided to the Target Population as defined in program regulations Section 7413 (r) and (y). The Grantee may use grant funds to finance eligible costs in support of the Grantee's jail diversion program.

Summary of Amount:

Project	Approved Grant Amount
Yolo County Community Corrections Diversionary Housing Project	\$ 1,000,000.00
Total	<u>\$ 1,000,000.00</u>