

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)
Community Services Infrastructure Grant Program (CSI)
Amendment to Resolution Number CSI 2020-08 (Second Funding Round)

County of Solano
October 28, 2021

PURPOSE OF THE REQUEST:

The County of Solano (County) is requesting the Authority approve an amendment to Resolution Number CSI 2020-08 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 anticipates that it will not be able to meet the milestone deadline of being open and operational by June 30, 2022. The County has encountered delays in the acquisition of the modular buildings due to a manufacturing backlog, along with construction delays due to COVID-19 pandemic related labor and material shortages in the construction industry. The County held a groundbreaking ceremony on October 5, 2021 and has a revised construction completion deadline of September 30, 2022.

The County is requesting to amend its milestone deadline of being open and operational to January 31, 2023, and Authority staff recommends extending the milestone to receive all disbursement documentation to April 30, 2023. The extension will give the County additional time to address construction delays 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 March 26, 2020, awarding the County grant funds in the amount of \$6,301,108.00 to establish a new 16-bed licensed residential facility for justice-involved adults, ages 18 and over. The facility will provide mental health treatment services to justice-involved adult individuals as an alternative to incarceration. Grant funds will be used for facility acquisition, renovation, furnishings and equipment, information technology, and program startup.

Resolution Number CSI 2020-08 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 June 30, 2022; (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 June 30, 2022; and (3) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than April 30, 2022.

RECOMMENDATION:

Staff recommends the Authority approve an amendment to Resolution Number CSI 2020-08 to amend the milestones and extend the resolution and grant period expiration dates to June 30, 2023, subject to the following amended milestone conditions:

- 1) The County must provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before January 31, 2023.
- 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 January 31, 2023.
- 3) The County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than April 30, 2023.

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

AMENDMENT TO RESOLUTION NO. CSI 2020-08

**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 SOLANO**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by Welfare and Institutions Code Section 5848.51, which created the Community Services Infrastructure Grant Program, 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 Solano (“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 \$6,301,108.00 to complete the Project within a grant period that ends on ~~June 30, 2022~~ June 30, 2023. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating that the Project shall be operational on or before ~~June 30, 2022~~ January 31, 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 ~~June 30, 2022~~ January 31, 2023. Grantee must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than ~~April 30, 2022~~ April 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 Project as described in Exhibit A to this resolution.

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

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Solano (County) as follows:

The County must add at least a new 16-bed jail diversion program facility that will provide mental health treatment services. As a condition of funding, the grant can only fund eligible costs of projects, or portions of projects, implementing Jail Diversion Programs that provide on-site treatment services to the Target Population of Justice-Involved Individuals as defined under Section 7413(p), (q), (r), and (y) of the Community Services Infrastructure of Grant Program regulations.

Summary of Amount:

Project	Approved Grant Amount
Residential Mental Health Diversion Program	\$ 6,301,108.00