

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Investment in Mental Health Wellness Grant Program (IMHWGP)

Fifth Amendment to Resolution Number MH 2014-06 (First Funding Round)

County of Los Angeles

October 28, 2021

PURPOSE OF THE REQUEST:

The County of Los Angeles (County) is requesting the Authority approve an amendment to Resolution Number MH 2014-06 to amend the milestone conditions and extend the resolution and grant period expiration dates of its Investment in Mental Health Wellness Grant Program (IMHWGP) projects.

ISSUE:

The County anticipates missing its upcoming milestone deadline of being open and operational by November 30, 2021 for its IMHWGP projects at the (1) LAC-USC Medical Center Campus (LAC-USC), (2) Olive View-UCLA Medical Center Campus (Olive View-UCLA), and (3) Rancho Los Amigos National Rehabilitation Center (Rancho Los Amigos) as well as the open and operational deadline of December 31, 2021 for its IMHWGP project at the Martin Luther King Jr. Medical Center (MLK), due to construction delays at LAC-USC and potential furniture procurement delays for all the project sites.

Construction on the four Crisis Residential Treatment Program (CRTP) buildings at LAC-USC began on January 9, 2020 and was scheduled to be completed by February 1, 2021 but was later extended to October 28, 2021. The construction contractor recently encountered additional delays due the impact of the COVID-19 pandemic on the workforce and delays in the procurement of construction materials, but has not provided a revised timeline to the County yet.

Construction of the five CRTP buildings and one Crisis Stabilization Unit (CSU) building at Olive View-UCLA is near completion and should be completed by the end of October 2021. However, the furniture delivery for this project site has been delayed by eight to ten weeks, causing potential delays to the open and operational dates.

Construction of the one CRTP building at MLK and the five CRTP buildings at Rancho Los Amigos is complete. However, the furniture delivery for these two project sites has been delayed by eight to ten weeks, causing potential delays to the open and operational dates.

The County is requesting to align and extend the milestone to be open and operational for all projects to September 30, 2022. Additionally, Authority staff recommends extending the milestone to submit all disbursement documentation to October 31, 2022. The extension will give the County time to complete all projects and address the recent and any potential new construction delays at LAC-USC, the furniture procurement delays, as well as any other unforeseen delays that may arise.

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.

BACKGROUND:

The Authority approved a reinstatement of, and an amendment to, Resolution Number MH 2014-06 on February 22, 2018 for the County's Department of Mental Health IMHWGP grant in an amount not to exceed \$40,892,700.49 for 240 beds to serve adults in 15 new CRTP's; eight new beds in one expanded 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 the approval, the County was required to submit quarterly reports detailing information on milestones achieved, progress, and obstacles or challenges related to the completion of the CRT and UCC programs, and the County was required to meet the following milestone deadlines:

- 1) LAC-USC Medical Center Campus, Olive View-UCLA Medical Center Campus, and Rancho Los Amigos National Rehabilitation Center
 - a. The County must provide evidence acceptable to Authority staff demonstrating (i) start of site construction by December 31, 2020, and (ii) the CRT and UCC programs shall be operational by November 30, 2021.
 - b. Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the CRT and UCC programs are on track to be operational on or before November 30, 2021.
 - c. The County must submit all grant disbursement requests for the CRT and UCC programs, including required supporting documentation, to the Authority no later than November 30, 2021.
- 2) Martin Luther King Jr. Medical Campus
 - a. The County must provide evidence acceptable to Authority staff demonstrating (i) start of renovation/construction by June 30, 2020, and (ii) the CRT program shall be operational by December 31, 2021.
 - b. Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the CRT program is on track to be operational on or before December 31, 2021.
 - c. The County must submit all grant disbursement requests for the CRT program, including required supporting documentation, to the Authority no later than November 30, 2021.

RECOMMENDATION:

Staff recommends the Authority approve an amendment to Resolution Number MH 2014-06 to amend the milestones and extend the resolution and grant period expiration dates to December 31, 2022, subject to the following amended milestone conditions:

- 1) The County must provide evidence acceptable to Authority staff demonstrating that the CRT and UCC programs shall be operational by September 30, 2022.
- 2) Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the CRT and UCC programs are on track to be operational on or before September 30, 2022.
- 3) The County must submit all grant disbursement requests for the CRT and UCC programs, including required supporting documentation, to the Authority no later than October 31, 2022.

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

~~REINSTATEMENT OF AND~~ **FIFTH** AMENDMENT TO RESOLUTION NO.
MH 2014-06

**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 LOS ANGELES**

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 Los Angeles (“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 \$40,892,700.49 for the eligible project (the “Project”), which consists of no more than \$35,000,000.00 for crisis residential treatment capital costs, \$4,210,526.31 for crisis stabilization capital costs, \$559,233.00 for mobile crisis capital costs, and \$1,122,941.18 for mobile crisis personnel 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 \$40,892,700.49 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 ~~December 31, 2021~~ December 31, 2022. The Grantee shall meet the following conditions in addition to all other applicable requirements for the LAC-USC Medical Center Campus, Olive View-UCLA Medical Center Campus, Rancho Los Amigos National Rehabilitation Center, and Martin Luther King Jr. Medical Campus:

- ~~1)~~ ~~LAC-USC Medical Center Campus, Olive View-UCLA Medical Center Campus, and Rancho Los Amigos National Rehabilitation Center:~~
- ~~a.~~1) The County must provide evidence acceptable to Authority staff demonstrating ~~(i) start of site construction by December 31, 2020, and~~ the crisis residential treatment and crisis stabilization programs shall be operational by ~~November 30, 2021~~ September 30, 2022.
- ~~b.~~2) Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the crisis residential treatment and crisis stabilization programs are on track to be operational on or before ~~November 30, 2021~~ September 30, 2022.
- ~~e.~~3) The County must submit all grant disbursement requests for the crisis residential treatment and crisis stabilization programs, including required supporting documentation, to the Authority no later than ~~November 30, 2021~~ October 31, 2022.

2) ~~Martin Luther King Jr. Medical Campus:~~

- ~~a. The County must provide evidence acceptable to Authority staff demonstrating (i) start of renovation/construction by June 30, 2020, and (ii) the crisis residential treatment program shall be operational by December 31, 2021.~~
- ~~b. Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the crisis residential treatment program is on track to be operational on or before December 31, 2021.~~
- ~~c. The County must submit all grant disbursement requests for the crisis residential treatment program, including required supporting documentation, to the Authority no later than November 30, 2021.~~

Section 2. The Executive Director or the Deputy Executive Director, is 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. 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 or the Deputy Executive Director, is 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, is 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 Act and implementing regulations.

Section 4. The Executive Director or the Deputy Executive Director, of the Authority is 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. The Authority hereby requires the County of Los Angeles to submit quarterly reports with detailed information on milestones achieved, progress, and obstacles or challenges related to the completion of the Project as described in the Grantee's application.

Section 6. This Resolution expires ~~December 31, 2021~~ December 31, 2022.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

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

Crisis Residential

The County will implement 15 new Crisis Residential Treatment Programs (CRTPs) with a capacity of 16 residents each located throughout the county for a total of 240 new beds to serve adults with mental illness in psychiatric crisis, including those with co-occurring substance abuse disorders. CRTPs will be located throughout the County and provide a safe home-like environment. The funds will be used for acquisition of real property, construction/renovation, furniture and equipment, information technology, and three months of startup costs. Grant funds for the acquisition and construction/renovation of real property may be provided directly to a designated private nonprofit corporation.

Crisis Stabilization

The County will establish one expanded 16-bed Crisis Stabilization Unit aka Urgent Care Center (UCC) adding eight (8) new beds. The expanded UCC will increase access and capacity throughout the region. The UCC will provide services for adults and adolescents whose issues can be met with short-term (under 24 hours), immediate care and connections to community-based resources. The program will emulate the four existing UCCs, providing 24-hour stabilization services, 365 days a year in a home-like environment. The funds will be used for acquisition of real property, construction/renovation, furniture and equipment, information technology, and three months of startup costs. Grant funds for the acquisition and construction/renovation of real property may be provided directly to a designated private nonprofit corporation.

Mobile Crisis Support

The County will establish 14 mobile crisis support teams and 1 clerical staff to provide field-based crisis intervention services to children, adolescents, and adults throughout the county. The program’s objectives are to expand access and capacity throughout the region, which decreases the need for inpatient psychiatric hospitalizations by providing immediate field-based services. The teams will include partnerships with law enforcement agencies throughout the county in which law enforcement officers, along with one licensed clinician, will respond to 911 calls for assistance involving persons experiencing a mental illness. This program will partner with nine law enforcement agencies. Also, the law enforcement agencies will contribute unmarked police vehicles (for the teams to respond to calls), office space, furniture, training, and personnel to partner with licensed clinicians. Planned psychiatric mobile response teams will provide two licensed mental health clinicians to respond to community calls to persons of all ages with various acute mental health issues. The funds will be used to purchase four vehicles, information technology equipment, three months of program expansion costs, and to hire the new personnel.

Summary of Amounts

Programs	Approved Grant Amount	Expected Federal Financial Participation
Crisis Residential	\$ 35,000,000.00	
Crisis Stabilization	\$ 4,210,526.31	
Mobile Crisis Capital	\$ 559,233.00	
Mobile Crisis Personnel	\$ 1,122,941.18	\$ 784,561.65

Total \$ 40,892,700.49