

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Community Services Infrastructure Grant Program

Amendment to Resolution Number CSI 2020-05 (Second Funding Round)

County of Riverside

April 28, 2022

PURPOSE OF THE REQUEST:

The County of Riverside (County) is requesting the Authority approve an amendment to Resolution Number CSI 2020-05 to amend the milestone conditions and extend the grant period and resolution expiration dates for its Community Services Infrastructure Grant Program (CSI) project.

ISSUE:

The County will not be able to meet the milestone condition deadlines of submitting all disbursement documentation by April 30, 2022 and being open and operational by June 30, 2022. The project is 95% complete pending delivery of air handlers, generators, and bedroom furnishings, which have been significantly delayed due to the impact of the COVID-19 pandemic on the supply chain. The County anticipates that the delivery and installation of the air handlers and generators and the delivery of bedroom furniture will be completed by mid-August 2022, at which time the County can start the licensing process with the California Department of Health Care Services, which can take up to three months to complete. Additionally, the facility renovation will need to be completed prior to the service provider selection process in order to enable bidders to make informed submissions. Due to the delays in the completion of the facility renovation and the bedroom furnishing delivery, the County now anticipates service provider selection by October 1, 2022.

The County is requesting to amend the milestone condition of being open and operational to December 31, 2022. Additionally, Authority staff recommends extending the milestone condition requiring submission of all disbursement documentation to March 31, 2023. The extension will give the County sufficient time to complete the installation of the air handlers and generators, receive delivery of the bedroom furnishings, obtain licensure, and complete the service provider selection process.

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

BACKGROUND:

On March 26, 2020, the Authority approved Resolution Number CSI 2020-05, awarding the County grant funds in the amount of \$18,984,848.00 to establish a jail diversion program. The County will renovate an existing county-owned building into a new, secure 30-bed facility for a new Incompetent to Stand Trial Diversion Program. The County plans to provide mental health and substance use disorder treatment for the target population of justice-involved individuals found incompetent to stand trial and are who are being diverted from incarceration.

Grant funds will be used for facility renovation, furnishings, equipment, and information technology. Resolution Number CSI 2020-05 was approved with the following milestone conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be open and 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 open and 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 2020-05 to amend the milestone conditions and extend the grant period and resolution 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 open and operational on or before December 31, 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 open and operational on or before December 31, 2022.
- 3) The County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than March 31, 2023.

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

AMENDMENT TO RESOLUTION NO. CSI 2020-05

**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 RIVERSIDE**

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 Riverside (“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 \$18,984,848.00 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~~ December 31, 2022. 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~~ December 31, 2022. Grantee must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than ~~April 30, 2022~~ March 31, 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 Riverside (County) as follows:

The County must add at least 30 new beds to a new jail diversion program at a renovated facility that will provide mental health treatment services and substance use disorder 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 Grant Program regulations.

Summary of Amount:

Project	Approved Grant Amount
Restorative Transformation Center	\$ 18,984,848.00