

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)
Community Services Infrastructure Grant Program
Second Amendment to Resolution No. CSI 2020-05 (Second Funding Round)
County of Riverside
February 23, 2023

PURPOSE OF THE REQUEST:

The County of Riverside (County) is requesting the Authority approve an amendment to Resolution No. CSI 2020-05 to amend the milestone conditions and extend the grant period and resolution expiration dates for its Community Services Infrastructure Grant Program (Welf. & Inst. Code, § 5848.51) (CSI) project.

ISSUE:

The County will not be able to meet the milestone condition deadline of being open and operational by March 1, 2023. The renovation of the facility was completed in September 2022 and 26 staff members have been hired and are prepared to begin providing services. However, due to a backlog in the facility's fire inspection scheduling, the facility's licensing walk through by the Department of Health Care Services (DHCS) was delayed as well. The fire inspection is now completed, and the fire clearance was obtained on February 8, 2023. The facility licensing inspection is scheduled with DHCS for February 20, 2023. Due to the delays in scheduling the facility's licensing inspection, and additional time needed to address any potential corrections required after the inspection, the County now anticipates being open and operational by May 31, 2023.

The County is requesting to amend the milestone condition of being open and operational to May 31, 2023, and to extend the grant period and resolution expiration dates to September 30, 2023. The County still anticipates meeting the milestone condition deadline requiring submission of all disbursement documentation by March 31, 2023. The extensions will give the County sufficient time to address any potential corrections needed to meet the licensing requirements and begin accepting clients.

BACKGROUND:

On March 26, 2020, the Authority approved Resolution No. CSI 2020-05, awarding the County grant funds in the amount of \$18,984,848.00 to establish a jail diversion program. The County was expected to 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.

On April 28, 2022, the Authority approved an amendment to Resolution No. CSI 2020-05, 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 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; and (3) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than March 31, 2023.

On December 30, 2022, the County received a 60-day extension to its milestone condition deadline to be open and operational from December 31, 2022, to March 1, 2023. The County was in the process of finalizing the fire clearance requirement and was awaiting the DHCS background check clearance for an additional eleven employees.

RECOMMENDATION:

Staff recommends the Authority approve a second amendment to Resolution No. CSI 2020-05 to amend the milestone conditions and to extend the grant period and resolution expiration dates to September 30, 2023, subject to the following amended milestone condition:

- 1) The County shall provide evidence acceptable to Authority staff demonstrating that the project shall be open and operational on or before May 31, 2023, and funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff.

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

SECOND 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, 2023~~ September 30, 2023. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating that the Project shall be open and operational on or before ~~December 31, 2022~~ May 31, 2023, and ~~F~~ 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 December 31, 2022~~. Grantee must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than 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, 2023~~ September 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