

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Investment in Mental Health Wellness Program for Children and Youth

Second Amended and Restated Resolution No. CY 2021-05

(Second Funding Round)

County of Sacramento

June 26, 2025

PURPOSE OF THE REQUEST:

The County of Sacramento (County) is requesting the Authority approve a second amended and restated Resolution Number CY 2021-05 to amend the milestone conditions for its Investment in Mental Health Wellness Grant Program for Children and Youth (Welf. & Inst. Code, §5848.5) (CY) project.

ISSUE:

The County will not be able to meet the milestone condition deadlines of: (1) being open and operational by December 31, 2025; and (2) submitting all disbursement documentation by January 31, 2026.

The County experienced a delay in completing the building plans for the 2,500 square-foot expansion of the facility that will house the family respite care program. Due to a shortage in engineers and the rising costs of material, there was a delay in obtaining the necessary engineering designs and reports and in the submission of documentation needed by the planning department. The County has confirmed that the architectural design and civil engineering plans have been finalized, and the construction contract has been executed. The County anticipates starting the construction of the building in June 2025 and is expecting the facility to be open and operational by April 2026.

The County has submitted an updated timeline and is requesting to amend its milestone condition deadlines of being open and operational from December 31, 2025 to April 1, 2026 and of submitting all disbursement documentation from January 31, 2026 to May 1, 2026. This extension will give the County sufficient time to complete construction and begin providing services.

BACKGROUND:

The Authority approved a final allocation on April 29, 2021, awarding the County grant funds in an amount not to exceed \$2,950,000.00 to develop a new FRC facility. The FRC facility aims to offer prompt face-to-face response for youth facing the risk of hospitalization, ER visits, or law enforcement involvement, addressing the behavioral and mental health service needs of children, youth, and families through crisis assessment, intervention, screening, coaching, and resource linkage, with a projected annual service capacity of 960 families in crisis. Resolution Number CY 2021-05 was approved, with a grant period expiration date of January 31, 2025, and the following milestones conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before January 31,

2024; (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, 2024; and (3) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than July 31, 2024.

On January 25, 2024, the Authority approved an amendment to Resolution Number CY 2021-05, with a grant period expiration date of June 30, 2026, and the following milestone conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before December 31, 2025, and funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority; and (2) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than January 31, 2026.

RECOMMENDATION:

Staff recommends the Authority approve a second amendment and restatement to Resolution Number CY 2021-05 to amend the milestone conditions, subject to the following amended milestone conditions:

- 1) The County shall provide evidence acceptable to Authority staff demonstrating that the Project shall be open and operational on or before April 1, 2026, and funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff.
- 2) The County shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than May 1, 2026.

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

~~FIRST~~ SECOND AMENDED AND RESTATED RESOLUTION NO. CY 2021-05

SECOND AMENDED AND RESTATED RESOLUTION OF
THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
APPROVING EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
FOR CHILDREN AND YOUTH
TO THE COUNTY OF SACRAMENTO

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) as supplemented by Chapter 30, Statutes of 2016 (SB 833), Section 20, the Investment in Mental Health Wellness Grant Program for Children and Youth (“Children and Youth Program”) and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 7 (commencing with Section 7313)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, on April 29, 2021, the Authority ~~staff reviewed the application submitted by County of Sacramento (“Grantee”) against the eligibility requirements of the Children and Youth Program and implementing regulations, and pursuant to the Children and Youth Program and implementing regulations, recommends approval of adopted Resolution No. CY 2021-05, approving a grant for the County of Sacramento (“Grantee”) in an amount not to exceed \$2,950,000.00~~ for the eligible project (the “Project”), which consists of family respite care capital costs, 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); and

WHEREAS, on January 25, 2024, the Authority adopted Amended Resolution No. CY 2021-05, extending the Project’s grant period to June 30, 2026 and amending the milestone conditions of: (1) being open and operational to December 31, 2025; and (2) submitting disbursement documents to January 31, 2026; and

WHEREAS, the Grantee requests an additional extension of the milestone conditions to complete the project.

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 a total amount not to exceed \$2,950,000.00 to the Grantee to complete the Project within a grant period that ends on June 30, 2026. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational on or before ~~December 31, 2025~~ April 1, 2026, and funds shall not be disbursed if Grantee is unable to provide evidence acceptable to Authority staff. Grantee shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than ~~January 31, 2026~~ May 1, 2026.

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. 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 Children and Youth 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 County's family respite care program for children and youth.

Section 6. This resolution expires on June 30, 2026.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

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

Family Respite Care

The County will expand family respite care services available in the County for children and youth ages six to 17 and their families by developing and operating a new family respite care facility. The County may use grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's family respite care program for children and youth.

Summary of Amount:

Program	Approved Grant Amount
Family Respite Care	\$ 2,950,000.00